

S.R. 785 - By Glasgow: Welcoming 7th and 8th grade students from Granbury and their sponsors.

S.R. 786 - By Glasgow: Recognizing Lorena Sparkman of Stephenville on being named the Lady of the Year by the members of the District 21 Veterans of Foreign Wars and its Ladies Auxiliary.

ADJOURNMENT

On motion of Senator Brooks, the Senate at 9:16 a.m. adjourned until 10:00 a.m. today.

APPENDIX

Sent to Comptroller
(May 16, 1991)

S.B. 689

S.B. 1531

Sent to Governor
(May 17, 1991)

S.C.R. 136

S.B. 345

S.B. 402

S.B. 552

S.B. 709

S.B. 710

S.B. 726

S.B. 763

S.B. 816

S.B. 823

S.B. 986

S.B. 1161

S.B. 1237

S.B. 1407

Filed with Secretary of State
(May 17, 1991)

S.J.R. 21

SIXTY-NINTH DAY

(Saturday, May 18, 1991)

The Senate met at 10:00 a.m. pursuant to adjournment and was called to order by the President.

The roll was called and the following Senators were present: Armbrister, Barrientos, Bivins, Brooks, Brown, Carriker, Dickson, Ellis, Glasgow, Green, Halcy, Harris of Tarrant, Harris of Dallas, Henderson, Johnson, Krier, Leedom, Lucio, Lyon, Moncrief, Parker, Ratliff, Rosson, Sibley, Sims, Tejeda, Truan, Turner, Whitmire, Zaffirini.

Absent-excused: Montford.

A quorum was announced present.

The Reverend Albert Elam, First Baptist Church, Dale, offered the invocation as follows:

Father, we come to You in the name of our Lord, Jesus Christ, asking for understanding and wisdom for this day, and that the decisions made today will be for the good of all our people. Let Your blessing, with joy and peace, be within our hearts. In the name of Jesus Christ we pray. Amen.

On motion of Senator Brooks and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

LEAVE OF ABSENCE

Senator Montford was granted leave of absence for today on account of important business on motion of Senator Ratliff.

CO-AUTHOR OF SENATE BILL 1579

On motion of Senator Brooks and by unanimous consent, Senator Brown will be shown as Co-author of S.B. 1579.

PERMISSION TO INTRODUCE BILLS AND RESOLUTION

Senator Brooks moved to suspend Article III, Section 5 of the Texas Constitution and Senate Rule 7.07(b) to permit the introduction of the following bills and resolution:

S.C.R. 150

S.B. 1610

S.B. 1611

The motion prevailed by the following vote: Yeas 30, Nays 0.

Absent-excused: Montford.

SENATE BILLS AND RESOLUTION ON FIRST READING

Article III, Section 5 of the Texas Constitution and Senate Rule 7.07(b) having been suspended, the following bills and resolution were introduced, read first time and referred to the Committee indicated:

S.C.R. 150 by Brooks

Health and Human Services

Resolving that the State of Texas will take all actions necessary for the full implementation of the Americans with Disabilities Act.

S.B. 1610 by Green

Intergovernmental Relations

Relating to the extraterritorial jurisdiction of certain municipalities.

S.B. 1611 by Lucio

Economic Development

Relating to the civil liability of certain chambers of commerce and to the volunteers and employees of the organizations.

BILLS AND RESOLUTIONS SIGNED

The President announced the signing in the presence of the Senate, after the captions had been read, the following enrolled bills and resolutions:

S.C.R. 124

S.C.R. 133

S.C.R. 125

S.C.R. 135

S.C.R. 126

S.C.R. 142

S.C.R. 127

S.B. 87

S.C.R. 128

S.B. 253

S.C.R. 129

S.B. 276

S.C.R. 130

S.B. 521

S.C.R. 131

S.B. 784

S.C.R. 132

S.B. 815

SENATE RULE 7.23(b) SUSPENDED

On motion of Senator Glasgow and by unanimous consent, Senate Rule 7.23(b) was suspended as it relates to House amendments to S.B. 1.

SENATE BILL 1 WITH HOUSE AMENDMENTS

Senator Glasgow called S.B. 1 from the President's table for consideration of the House amendments to the bill.

The President laid the bill as amended and passed by the House before the Senate.

A BILL TO BE ENTITLED**AN ACT**

relating to ethics of public servants, including the composition, powers, and duties of the Texas Ethics Commission; to registration, reporting, and restrictions concerning expenditures made to influence legislation or administrative action; to personal financial statements filed by public officers and employees; to the giving or acceptance of certain benefits; to restrictions and reporting concerning political contributions and expenditures; and providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

ARTICLE 1**SECTION 1.01. DEFINITIONS.** In this article:

- (1) "Commission" means the Texas Ethics Commission.
- (2) "Complainant" means a person who files a sworn complaint with the commission.
- (3) "Political party" means a political party required to hold a primary election under Section 172.001, Election Code.
- (4) "Respondent" means a person who, in a sworn complaint, is alleged to have engaged in improper conduct or committed a violation of law.

SECTION 1.02. TEXAS ETHICS COMMISSION. The Texas Ethics Commission is created.

SECTION 1.03. COMPOSITION. (a) The commission is composed of the following seven members:

- (1) one member appointed by the governor from a list of at least five names submitted by the Democratic caucus of the senate;
- (2) one member appointed by the governor from a list of at least five names submitted by the Republican caucus of the senate;
- (3) one member appointed by the governor from a list of at least five names submitted by the Democratic caucus of the house of representatives;
- (4) one member appointed by the governor from a list of at least five names submitted by the Republican caucus of the house of representatives;
- (5) two members of different political parties appointed by the governor from any of the lists submitted under this subsection; and
- (6) the secretary of state as an ex officio nonvoting member.

(b) A person who is nominated or appointed to the commission may not at the time of appointment or during service on the commission be:

- (1) an officer of the state in a capacity other than as a member of the commission, or an officer of a political subdivision, political party, or political committee;
- (2) a member of the legislature;
- (3) a candidate or campaign treasurer subject to Title 15, Election Code; or

(4) a person required to be registered under Chapter 305, Government Code.

(c) An appointment to the commission shall be made without regard to the race, creed, sex, religion, or national origin of the appointee. Each submitting group shall attempt to include members of different minority groups, including females, African Americans, Hispanic Americans, Native Americans, Asian Americans, and persons who are disabled. In addition, in making appointments under this section, the governor shall attempt to include members of different minority groups, including females, African Americans, Hispanic Americans, Native Americans, Asian Americans, and persons who are disabled.

SECTION 1.04. TERMS; VACANCY. (a) Appointed members serve for two-year terms.

(b) An appointed member who has served for two terms and any part of a third term is not eligible for reappointment.

(c) The secretary of state serves for a term concurrent with the secretary's office.

SECTION 1.05. QUORUM; VOTE REQUIRED. (a) A majority of the membership of the commission constitutes a quorum. An action or recommendation of the commission requiring a vote of the commission is not valid unless:

(1) the vote is taken at a meeting of the commission with a quorum present; and

(2) the action receives a majority vote of the membership of the commission.

(b) A vacancy on the commission may not be considered in determining the membership of the commission for the purpose of a quorum.

SECTION 1.06. CHAIRMAN; MEETINGS. (a) The members of the commission shall elect annually the chairman of the commission.

(b) The commission shall meet at least once each calendar quarter and at other times at the call of the chairman.

SECTION 1.07. EXPENSES. Members serve without compensation but are entitled to the per diem set in the General Appropriations Act for state officers and employees.

SECTION 1.08. REMOVAL OF COMMISSION MEMBERS. (a) It is a ground for removal of an appointed member from the commission if the member:

(1) is ineligible under Section 1.03(b) of this article;

(2) cannot discharge the member's duties for a substantial part of the term for which the member is appointed because of illness or disability;

(3) is absent from more than half of the regularly scheduled commission meetings that the member is eligible to attend during a calendar year unless the absence is excused by majority vote of the commission; or

(4) has a final conviction for a violation of Chapter 36, Penal Code.

(b) The validity of an action of the commission is not affected by the fact that it is taken when a ground for removal of a commission member exists.

(c) If the chairman of the commission has knowledge that a potential ground for removal of a member exists, the chairman shall notify the appropriate appointing authority of the ground.

SECTION 1.09. STAFF. The commission may employ staff necessary to administer the commission's functions.

SECTION 1.10. POWERS AND DUTIES. (a) The commission shall:

(1) enforce Chapters 302 and 305, Government Code; Title 15, Election Code; and Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes); and perform any other powers or duties given to the commission under those laws;

(2) prescribe forms for statements and reports required to be filed by any law enforced by the commission and provide for the distribution of the forms;

(3) publish a manual that establishes uniform methods of accounting and reporting for use by persons required to file statements and reports with the secretary of state and that includes each advisory opinion issued by the commission under Section 1.23 of this article;

(4) provide training by January of each odd-numbered year for members-elect of the legislature concerning compliance with the laws enforced by the commission;

(5) provide a program of ethics training for state employees in cooperation with state agencies; and

(6) adopt guidelines for the use of the funds of political subdivisions and other local governmental entities for lobbying purposes.

(b) After April 15 of each even-numbered year, the commission may submit to the governor and members of the legislature a report that covers the preceeding 24 months and contains:

(1) each advisory opinion issued by the commission under Section 1.23 of this article; and

(2) suggested legislation to conform this article to pertinent court decisions or to advisory opinions issued by the commission.

(c) If a law enforced by the commission authorizes the commission to determine dollar amounts as reporting or registration thresholds, the commission shall set those thresholds in amounts that are reasonable, are in the public interest, and further the purposes of the reporting or registration law involved.

(d) If a law enforced by the commission sets dollar amounts or categories of amounts as reporting thresholds, or if the commission sets those amounts, the commission shall adjust those thresholds annually upward or downward to the nearest multiple of \$10 in accordance with the percentage change for the previous year in the Consumer Price Index for Urban Consumers, published by the Bureau of Labor Statistics of the United States Department of Labor.

SECTION 1.11. AUDITS. (a) For each statement or report filed under a law enforced by the commission, the commission may perform audits on a sworn complaint and may return for correction and resubmission those statements or reports with violations.

(b) The commission may not audit statements or reports filed before January 1, 1992, under a law enforced by the commission.

SECTION 1.12. FILING OF COMPLAINTS. (a) A person may file with the commission a sworn complaint on a form prescribed by the commission, alleging that a person subject to a law enforced by the commission has violated a law enforced by the commission.

(b) A complaint filed under this section must be in writing and under oath and must set forth in simple, concise, and direct statements:

(1) the name, business and residence addresses, and telephone number of the complainant;

(2) the name and position or title of each respondent;

(3) the nature of the alleged violation, including each specific provision of law alleged to have been violated;

(4) a detailed and complete statement of the facts alleged to constitute the alleged violation and of the dates on which or period of time in which the alleged violation occurred; and

(5) all documents or other material available to the complainant that are relevant to or in support of the allegation.

(c) The complaint must be accompanied by an affidavit stating that the information contained in the complaint is either true and correct or that the

complainant has good reason to believe and does believe that the violation has occurred. If the complaint is based on information and belief, the complaint shall state the source and basis of the information and belief.

(d) The complaint must state on its face an allegation that, if true, constitutes a violation of a law enforced by the commission.

SECTION 1.13. PROCESSING OF SWORN COMPLAINTS. (a) On receipt of a sworn complaint filed with the commission, the chairman shall determine whether the complaint complies with the form requirements of Section 1.12 of this article.

(b) Not later than the 14th business day after the date a complaint is filed with the commission, the chairman shall send written notice to the complainant and the respondent as to whether the complaint complies with the form requirements of Section 1.12 of this article. If the chairman determines that the complaint complies with the form requirements, the chairman shall promptly refer the complaint to the commission.

(c) If the chairman determines that the complaint does not comply with the form requirements, the chairman shall send to the complainant with the written notice the complaint, a statement explaining how the complaint fails to comply, and a copy of the rules for filing sworn complaints. The complainant may resubmit the complaint, but must do so not later than the 21st day after the date the notice under Subsection (b) of this section is mailed. If the chairman determines that the complaint is not resubmitted within the 21-day period or that the complaint is resubmitted within the 21-day period but is not in proper form, the chairman shall:

(1) dismiss the complaint; and

(2) not later than the fifth business day after the date of the dismissal, send written notice to the complainant and the respondent of the dismissal and the grounds for dismissal.

(d) If the chairman determines that the complaint is resubmitted within the 21-day period and that the complaint complies with the form requirements, the chairman shall send the written notice under Subsection (b) of this section and promptly refer the complaint to the commission.

SECTION 1.14. INFORMAL REVIEW. (a) The commission by record vote shall determine whether a complaint referred by the chairman complies with the form requirements of Section 1.12 of this article and whether the commission has jurisdiction over the violation of law alleged in the complaint.

(b) Not later than the fifth business day after the date of the commission's determination under Subsection (a) of this section, the commission shall send written notice to the complainant and the respondent as to whether the complaint complies with the form requirements of Section 1.12 of this article and whether the commission has jurisdiction over the conduct or violation alleged in the complaint. If the commission determines that the complaint complies with the form requirements and that the commission has jurisdiction, the notice shall include a copy of the complaint and the rules of procedure of the commission, a statement of the rights of the respondent, a statement inviting the respondent to provide any information relevant to the complaint to the commission, and the date the commission will begin an informal review of the complaint. If the commission determines that the complaint does not comply with the form requirements, the notice shall include the items under Section 1.13(c) of this article. The complainant may resubmit the complaint, but must do so not later than the 21st day after the date the notice under Subsection (b) is mailed.

(c) If the commission determines that a noncomplying complaint is not resubmitted within the 21-day period or that the complaint is resubmitted within the 21-day period but is not in proper form, the commission shall:

(1) dismiss the complaint; and
(2) not later than the fifth business day after the date of the dismissal, send written notice to the complainant and the respondent of the dismissal and the grounds for dismissal.

(d) If the commission determines that the commission does not have jurisdiction over the violation alleged in the complaint, the commission shall:

(1) dismiss the complaint; and
(2) not later than the fifth business day after the date of the dismissal, send written notice to the complainant and the respondent of the dismissal and the grounds for dismissal.

(e) If the commission determines that the complaint complies with the form requirements and the commission has jurisdiction over the violation alleged in the complaint, after sending the notice required under Subsection (b) of this section, the commission shall informally review the complaint. The commission may consider all evidence related to the complaint and any evidence of which the commission is informed in considering the evidence related to the complaint.

(f) The respondent may appear before the commission with the assistance of counsel, if desired by the respondent, and present any relevant evidence, including a written statement.

SECTION 1.15. RESOLUTION OF INFORMAL REVIEW. (a) As soon as practical after the completion of the informal review, the commission by record vote shall issue an order determining whether a violation of a law enforced by the commission has occurred and whether the violation is technical or de minimis.

(b) If the commission determines that a violation of a law enforced by the commission has not occurred, the commission shall:

(1) dismiss the complaint; and
(2) not later than the fifth business day after the date of the dismissal, send written notice to the complainant and the respondent of the dismissal and the grounds for dismissal and a copy of the order.

(c) If the commission determines that a violation of a law enforced by the commission has occurred and that the violation is technical or de minimis, the commission shall:

(1) resolve and settle the complaint; and
(2) not later than the fifth business day after the date of the final resolution of the complaint, send written notice to the complainant and the respondent of the resolution and a copy of the order.

(d) If the commission determines that a violation of a law enforced by the commission has occurred and that the violation is not technical or de minimis, the commission shall resolve and settle the complaint to the extent possible. If the commission successfully resolves and settles the complaint, not later than the fifth business day after the date of the final resolution, the commission shall send written notice of the resolution and the terms of the resolution and a copy of the order to the complainant and the respondent. If the commission is unsuccessful in resolving and settling the complaint, the commission shall order that a formal hearing be held in accordance with Section 1.17 of this article.

SECTION 1.16. CONFIDENTIALITY; OFFENSE. (a) Except as provided by Subsection (c) of this section, proceedings at an informal review performed by the commission and documents relating to the processing, informal review, or resolution of a sworn complaint or to an audit performed by the commission are confidential and may not be disclosed unless entered into the record of a formal hearing or a judicial proceeding, except that a document or statement that was previously public information remains public information.

(b) Except as provided by Subsection (c) of this section, the open records law, Chapter 424, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-17a,

Vernon's Texas Civil Statutes), does not apply to documents relating to the processing, informal review, or resolution of sworn complaints or to audits performed by the commission or documents relating to audits performed by the commission. The open meetings law, Chapter 271, Acts of the 60th Legislature, Regular Session, 1967 (Article 6252-17, Vernon's Texas Civil Statutes), does not apply to the processing, informal review, or resolution of sworn complaints.

(c) An order issued by the commission after the completion of an informal review determining that a violation other than a technical violation has occurred is not confidential.

(d) A person commits an offense if the person discloses information made confidential by this section. An offense under this subsection is a Class A misdemeanor.

(e) In addition to other penalties, a person who discloses information made confidential by this section is civilly liable to the respondent in an amount equal to the greater of \$10,000 or the amount of actual damages incurred by the respondent, including court costs and attorney's fees.

SECTION 1.17. FORMAL HEARING. (a) Not later than the fifth business day after the date the commission orders a formal hearing, the commission shall send to the respondent written notice of the date of the formal hearing, a statement of the nature of the alleged violation, and a description of the evidence of the alleged violation. A copy of the complaint, the rules of procedure of the commission, and a statement of the rights of the respondent shall be sent with the notice.

(b) The commission may subpoena and examine witnesses and documents that directly relate to a sworn complaint. At the written request of a majority of the commission, a peace officer shall serve a subpoena of the commission in the manner prescribed for service of a district court subpoena. If a person to whom a subpoena is directed refuses to appear, refuses to answer inquires, or fails or refuses to produce books, records, or other documents that were under the person's control when the demand was made, the commission shall report that fact to a district court in Travis County. The district court shall enforce the subpoena by attachment proceedings for contempt in the same manner as the court enforces a subpoena issued by the court. A subpoenaed witness who attends a commission hearing is entitled to the same mileage and per diem as a witness who appears before a grand jury.

SECTION 1.18. FORMAL HEARING PROCEDURES. (a) A subpoena or other request to testify shall be served sufficiently in advance of the scheduled appearance at a formal hearing to allow a reasonable period, as determined by the commission, for the person subpoenaed to prepare for the hearing and to employ counsel if desired.

(b) The commission may order that a person may not, except as specifically authorized by the chairman, make public the name of a witness subpoenaed by the commission before the date of that witness's scheduled appearance.

(c) A witness may read a written statement or present a brief oral opening statement at a formal hearing.

(d) A person whose name is mentioned or who is identified or referred to in testimony or in statements made by a commission member, staff member, or witness, and who reasonably believes that the statement tends to adversely affect the person's reputation, may:

(1) request to appear personally before the commission to testify in the person's own behalf; or

(2) file a sworn statement of facts relevant to the testimony or statement that the person believes adversely affects the person's reputation.

(e) Not later than the fifth business day before the date of a scheduled formal hearing or on the granting of motion for discovery by the respondent, the

commission shall provide the following information and documents, if any, to the respondent:

- (1) a list of proposed witnesses to be called at the hearing;
- (2) copies of all documents expected to be introduced as exhibits at the hearing; and

- (3) a brief statement as to the nature of the testimony expected to be given by each witness to be called at the hearing.

(f) The respondent may not be compelled to give evidence or testimony that violates the respondent's right against self-incrimination under the United States Constitution or the Texas Constitution.

(g) A witness who testifies at a formal hearing must be sworn.

(h) Except as otherwise provided by Sections 1.19-1.22 of this article, the Administrative Procedure and Texas Register Act (Article 6252-13a, Vernon's Texas Civil Statutes) applies to a formal hearing.

SECTION 1.19. RESOLUTION OF FORMAL HEARING. (a) Not later than the 30th business day after the date the formal hearing is completed, the commission by record vote shall issue:

- (1) a final order concerning the resolution of the formal hearing; and
- (2) a written report stating in detail the commission's findings of fact, conclusions of law, and recommendation of criminal referral or imposition of civil penalty, if any.

(b) Not later than the fifth business day after the date the commission issues the final order and written report, the commission shall:

- (1) send the order and report to the complainant and respondent; and
- (2) make the order and report available to the public during reasonable business hours.

SECTION 1.20. APPEAL OF FINAL ORDER. To appeal a final order of the commission, a person may file a petition in any district court in this state. The petition must be filed not later than the 30th business day after the date the person received the order. An appeal brought under this section is not limited to questions of law, and the substantial evidence rule does not apply. The action shall be determined by trial de novo. The reviewing court shall try all issues of fact and law in the manner applicable to other civil suits in this state but may not admit in evidence the fact of prior action by the commission or the nature of that action, except to the limited extent necessary to show compliance with statutory provisions that vest jurisdiction in the court. A party is entitled, on demand, to a jury determination of any issue of fact on which a jury determination is available in other civil suits in this state.

SECTION 1.21. NOTICE; DEADLINES. (a) Each written notice, order, and report required to be sent under this article shall be sent by registered or certified mail, restricted delivery, return receipt requested.

(b) The chairman or the commission may extend any deadline for action required by this article.

SECTION 1.22. SANCTIONS. (a) The commission may:

- (1) impose a civil penalty of not more than \$5,000, or the amount specified by a law enforced by the commission, for a delay in complying with a commission order or for a violation of a law enforced by the commission;

- (2) impose a civil penalty of not more than \$10,000 for the filing of a frivolous or bad-faith complaint;

- (3) issue and enforce cease and desist orders to stop violations; and

- (4) issue affirmative orders to require compliance with the laws enforced by the commission.

(b) In this section, "frivolous complaint" means a complaint that is groundless and is brought in bad faith or is brought for the purpose of harassment.

- (c) The commission shall consider the following factors in assessing a sanction:
- (1) the seriousness of the violation, including the nature, circumstances, consequences, extent, and gravity of the violation;
 - (2) the history and extent of previous violations;
 - (3) the demonstrated good faith of the violator, including actions taken to rectify the consequences of the violation;
 - (4) the penalty necessary to deter future violations; and
 - (5) any other matters that justice may require.

SECTION 1.23. ADVISORY OPINIONS. (a) If a person subject to any of the following laws requests in writing a commission opinion about the application of any of these laws to the person in regard to a specified factual situation, whether existing or hypothetical, the commission shall prepare a written opinion answering the request:

- (1) Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes);
- (2) Chapter 302, Government Code;
- (3) Chapter 305, Government Code;
- (4) Title 15, Election Code;
- (5) Chapter 36, Penal Code; or
- (6) Chapter 39, Penal Code.

(b) The commission shall issue a written advisory opinion not later than the 60th day after the date the commission receives the written request.

(c) The commission shall maintain the confidentiality of the name of any person requesting an advisory opinion and shall issue opinions in a form necessary to maintain the confidentiality of the person making the opinion request, unless the requesting party files written notice to the commission waiving the confidentiality of identity.

(d) On its own initiative, the commission may issue a written advisory opinion about the application of a law listed in Subsection (a) of this section when a majority of the commission determines that an opinion would be in the public interest or in the interest of any person or persons within the jurisdiction of the commission. Except as provided by Subsection (c) of this section, the commission may not issue an opinion that includes the name of any person who may be affected by the opinion.

(e) The commission shall number and categorize each advisory opinion issued and shall annually compile a summary of its advisory opinions in a single reference document.

(f) It is an exception to prosecution or to imposition of a civil penalty that the person reasonably relied on a written advisory opinion of the commission relating to the provision of the law the person is alleged to have violated or relating to a fact situation that is substantially similar to the fact situation in which the person is involved.

(g) The authority of the commission to issue an opinion does not affect the authority of the attorney general to issue an opinion as authorized by law.

(h) If the commission issues an advisory opinion concluding that a transaction or activity constitutes the conversion of a contribution to personal use in violation of Section 253.035, Election Code, a person involved in a conversion is not civilly liable to the state if, on or before the 30th day after the date the opinion is published, the person:

- (1) returns an amount equal to the amount converted to the political fund from which it was removed; and
- (2) within that period sends written notice to the commission that the person has returned the converted contribution as required by this subsection.

SECTION 1.231. STUDY OF CAMPAIGN FINANCE LAWS. (a) The commission shall study the following issues relating to the reporting of and restrictions on political contributions and expenditures:

- (1) reporting of and restrictions on reimbursement of personal funds from political contributions;
 - (2) reporting of loans made for campaign or officeholder purposes;
 - (3) reporting of and restrictions on repayment of loans from political contributions;
 - (4) restrictions on the amount of political contributions to candidates, officeholders, and political committees;
 - (5) restrictions on the expenditures of political funds by candidates, officeholders, and political committees;
 - (6) repayment of debts from political contributions;
 - (7) reporting of political contributions accepted during a special legislative session;
 - (8) reporting of contributions accepted and expenditures made by the state chairman of a political party in connection with party activities;
 - (9) reporting of contributions and expenditures by a candidate for election to the state executive committee of a political party;
 - (10) late filings and reporting to appropriate prosecuting authorities;
- and
- (11) exploring ways to limit spending in political campaigns through public financing.

(b) Not later than January 15, 1993, the commission shall submit to the governor and the 73rd Legislature a written report containing the results of the study under this section and suggested legislation on the reporting of and restrictions on political contributions and expenditures.

(c) This section expires June 1, 1993.

SECTION 1.232. STUDY OF JUDICIAL CAMPAIGNS. (a) The commission shall conduct a study of issues relating to the financing of campaigns for judicial offices. Such study shall include the following:

- (1) limitations on political contributions to candidates for judicial office, including restrictions designed to prevent circumvention of such limitations;
- (2) limitations on or prohibition of officeholder contributions to judicial officeholders and officeholder expenditures by judicial officeholders;
- (3) limitations on or prohibition of political expenditures, including direct campaign expenditures, made on behalf of candidates for judicial office;
- (4) disclosure of political expenditures, including direct campaign expenditures, made by certain persons on behalf of candidates for judicial office;
- (5) free and open access to information relating to political contributions to judicial officeholders and political expenditures made on behalf of such officeholders; and
- (6) standards for determining conflicts of interest involving a judicial officeholder and procedures for disqualifying a judicial officeholder on the basis of judicial bias, with specific consideration of the appropriate standards for disqualification based on the amount of political contributions and expenditures made by attorneys and litigants to or on behalf of a judicial officeholder.

(b) The commission shall complete its study and make recommendations to the legislature and the Supreme Court of Texas not later than December 31, 1992.

SECTION 1.24. PROHIBITED PARTICIPATION. (a) A member of the commission who is the subject of a formal investigation by the commission or of a sworn complaint filed with the commission may not participate in commission proceedings relating to the investigation or complaint.

(b) A member of the commission may not participate in or vote on any matter before the commission if the matter concerns the member directly or a person related to the member within the second degree by affinity or consanguinity.

SECTION 1.241. PROHIBITED CANDIDACY. For 12 months after the date on which a member of the commission terminates service on the commission, the member may not be a candidate for any elective public office.

SECTION 1.25. PUBLIC ACCESS. The commission shall develop and implement policies that provide the public with a reasonable opportunity to appear before the commission and to speak on issues under the general jurisdiction of the commission.

SECTION 1.26. DISCRIMINATION PROHIBITED. Nothing in this article shall be applied to discriminate on the basis of race, sex, national origin, or religion.

SECTION 1.27. INAPPLICABILITY OF SUNSET ACT. The commission is not subject to Chapter 325, Government Code (Texas Sunset Act).

SECTION 1.28. REPEALER. The State Ethics Advisory Commission is abolished and Article 6252-9d, Revised Statutes, is repealed.

SECTION 1.29. CONTINGENT PROVISIONS. If the constitutional amendment proposed by the 72nd Legislature, Regular Session, 1991, relating to creating the Texas Ethics Commission is approved by the voters, Sections 1.03, 1.04, and 1.08 of this article have no effect.

ARTICLE 2

SECTION 2.01. Chapter 305, Government Code, is amended by adding Section 305.0011 to read as follows:

Sec. 305.0011. CODE OF CONDUCT. (a) A registrant shall decline proffered employment if the exercise of the registrant's independent judgment on behalf of a client will be or is likely to be adversely affected by the acceptance of the employment, except as provided by Subsection (c).

(b) A registrant may not continue multiple employment if the exercise of the registrant's independent judgment on behalf of a client will be or is likely to be adversely affected by his representation of another client, except as provided by Subsection (c).

(c) A registrant may represent multiple clients in situations covered by Subsection (a) or (b) only with the consent of the clients after full disclosure of the possible effects of that representation on the registrant's professional judgment.

(d) If a registrant is required to decline employment or to withdraw from employment under this section, a partner or other person associated with that registrant may not accept or continue that employment.

(e) The commission may adopt rules for the implementation of this section consistent with this chapter, the Code of Professional Responsibility, and the common law of agency.

SECTION 2.02. Section 305.002, Government Code, is amended by adding Subdivision (11) to read as follows:

(11) "Commission" means the Texas Ethics Commission.

SECTION 2.03. Section 305.003, Government Code, is amended to read as follows:

Sec. 305.003. PERSONS REQUIRED TO REGISTER. (a) A person must register with the secretary under this chapter if the person:

(1) makes a total expenditure of an amount determined by commission rule [of more than \$200] in a calendar quarter, not including the person's own travel, food, or lodging expenses or the person's own membership dues, on activities described in Section 305.006(b) to communicate directly with one or more members of the legislative or executive branch to influence legislation or administrative action; or [and]

(2) receives compensation or reimbursement, not including reimbursement for the person's own travel, food, or lodging expenses or the person's own membership dues, of more than an amount determined by commission rule [§200] in a calendar quarter from another person to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action.

(b) Subsection (a)(2) requires a person, other than a member of the judicial, legislative, or executive branch, to register if the person, as part of his regular employment, has communicated directly with a member of the legislative or executive branch to influence legislation or administrative action on behalf of the person by whom he is compensated or reimbursed, whether or not the person receives any compensation for the communication in addition to the salary for that regular employment.

SECTION 2.04. Section 305.004, Government Code, is amended to read as follows:

Sec. 305.004. EXCEPTIONS. The following persons are not required to register under this chapter:

(1) a person who owns, publishes, or is employed by a newspaper, any other regularly published periodical, a radio station, a television station, a wire service, or any other bona fide news medium that in the ordinary course of business disseminates news, letters to the editors, editorial or other comment, or paid advertisements that directly or indirectly oppose or promote legislation or administrative action, if the person does not engage in further or other activities that require registration under this chapter and does not represent another person in connection with influencing legislation or administrative action;

(2) a person whose only direct communication with a member of the legislative or executive branch to influence legislation or administrative action is an appearance before or testimony to one or more members of the legislative or executive branch in a hearing conducted by or on behalf of either the legislative or the executive branch and who does not receive special or extra compensation for the appearance other than actual expenses incurred in attending the hearing;

(3) a person whose only activity is to encourage or solicit members, employees, or stockholders of an entity by whom the person is reimbursed, employed, or retained to communicate directly with members of the legislative or executive branch to influence legislation or administrative action;

(4) a person whose only activity to influence legislation or administrative action is to compensate or reimburse an individual registrant to act in the person's behalf to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action;

(5) a person whose only activity to influence legislation or administrative action is attendance at a meeting or [entertainment] event attended by a member of the legislative or executive branch if the total cost of the meeting or [entertainment] event is paid by a business entity, union, or association; and

(6) a person whose only compensation subject to Section 305.003(a)(2) consists of reimbursement for any wages not earned due to attendance at a meeting or [entertainment] event, travel to and from the meeting or [entertainment] event, admission to the meeting or [entertainment] event, and any food and beverage consumed at the meeting or [entertainment] event if the meeting or [entertainment] event is attended by a member of the legislative or executive branch and if the total cost of the meeting or [entertainment] event is paid by a business entity, union, or association.

SECTION 2.05. Sections 305.005(c), (d), (e), (g), and (h), Government Code, are amended to read as follows:

(c) The registration fee and registration renewal fee are:

(1) \$100 for a registrant employed by an organization exempt from federal income tax under Section 501(c)(3) or 501(c)(4), Internal Revenue Code of 1986; or

(2) \$300 for any other registrant.

(d) Fees collected under this section shall be deposited to the credit of the general revenue [a special] fund [in the State Treasury to be known as the lobbyist registration fund and may be used only to administer this chapter].

(e) A person required to register under this chapter who has not registered or whose registration has expired shall file the registration form and submit the registration fee not later than the fifth day after the date on which the person or the person's employee makes the first direct communication with a member of the legislative or executive branch that requires the person's registration.

(g) If a registrant's activities are done on behalf of ~~[the members of]~~ a group or organization, including a business association, trade association, or public interest association but excluding ~~[other than]~~ a corporation, the registration form must include:

(1) a statement of the number of members in the group or organization;

(2) [;] the name of each person in the group or organization who determines the policy in this state of the group or organization relating to influencing legislative or administrative action;

(3) [-and] a full description of the methods by which the registrant develops and makes decisions about positions on policy; and

(4) if the group or organization is financed by payments other than established and regular membership dues or fees, a list of those persons making a grant or contribution, in addition to or instead of those dues or fees, that equals or exceeds \$250.

(h) If the person described by Subsection (f)(3) is a business entity engaged in the representation of clients for the purpose of influencing legislation or administrative action, the registrant shall give the information required by that subdivision for each client on whose behalf the registrant communicated directly with a member of the legislative or executive branch.

(i) If there is a change in the information required to be reported by a registrant under this section, the registrant shall file an amended statement reflecting the change with the secretary not later than the date on which the next report is due under Section 305.007.

SECTION 2.06. Subchapter A, Chapter 305, Government Code, is amended by adding Section 305.0051 to read as follows:

Sec. 305.0051. LISTING OF PUBLIC OFFICERS AND EMPLOYEES. (a) Except as provided by Subsection (b), the commission by rule may require an officer or employee of a political subdivision or other governmental entity created under the Texas Constitution or laws of this state who communicates directly with a member of the legislative or executive branch concerning legislation or administrative action to file with the secretary the officer's or employee's name, the name of the entity represented, the subject matter of the communication, and other information the commission considers relevant.

(b) The commission may not require a member of the legislative branch to file with the secretary under this section.

SECTION 2.07. Section 305.006, Government Code, is amended by amending Subsections (b) and (e) and adding Subsections (f)-(h) to read as follows:

(b) The report must contain the total expenditures under a category listed in this subsection that the registrant made to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action. The report must also include expenditures for the direct communications under a

category listed in this subsection that other people made on the registrant's behalf if the expenditures were made with the registrant's consent or were ratified by the registrant. The expenditures must be stated in the following categories:

(1) expenditures other than those described by Subdivision (2) or Subsection (c) [entertainment], including food, beverages, maintenance of a hospitality room, sporting events, theatrical and musical events, and any transportation, lodging, or admission expenses incurred in connection with an event [the entertainment]; and

(2) gifts or[,] awards, [or-loans,] other than contributions as defined by Section 251.001, Election Code.

(e) The report must also contain the total expenditures described by Subsection (b) that are directly attributable to members of the legislative or executive branch and those that are directly attributable to the registrant. The expenditures must be stated in only one of the following categories:

- (1) state senators;
- (2) state representatives;
- (3) statewide officeholders by office;
- (4) the registrant; and
- (5) events to which all legislators are invited.

(f) For purposes of Subsection (e), an expenditure is directly attributable to the person who consumed the food or beverage, to the person for whom admission, transportation, or lodging expenses were paid, or to the person to whom the gift or award was made.

(g) If a registrant cannot determine the amount of an expenditure under Subsection (b)(1) that is directly attributable to a member of the legislative or executive branch as required by Subsection (e), the registrant shall apportion the expenditure made by that registrant or by others on the registrant's behalf and with the registrant's consent or ratification according to the total number of persons attending the event. However, if an expenditure is for an event to which all legislators are invited, the registrant shall report the expenditure under Subsection (e)(5) and not under any other subdivision of that section or any other provision of this chapter.

(h) An expenditure described by Subsection (b) may not be made unless the registrant is present at the event [A registrant or other person may request an advisory opinion from the secretary under Section 305.041 to determine if an event is an entertainment event].

SECTION 2.08. Subchapter A, Chapter 305, Government Code, is amended by adding Section 305.0061 to read as follows:

Sec. 305.0061. DETAILED REPORTS. (a) If a registrant or a person on the registrant's behalf and with the registrant's consent or ratification makes expenditures for transportation or lodging for a member of the legislative or executive branch, the registrant shall also state the following on the report filed under Section 305.006:

- (1) the name of the member of the legislative or executive branch in whose behalf the expenditure is made;
- (2) the place and date of the transportation or lodging; and
- (3) the purpose of the transportation or lodging.

(b) For each expenditure described by Section 305.006(b), other than an expenditure for transportation or lodging, that is made on behalf of a member of the legislative or executive branch and that exceeds \$50 or a greater amount determined by the commission, the report filed under Section 305.006 must also contain:

- (1) the name of the member of the legislative or executive branch in whose behalf the expenditure was made;

(2) a general description of the item or service purchased;
(3) the date of the expenditure; and
(4) the amount of the expenditure by the appropriate category of the amount, as determined by the commission.

(c) If an expenditure reported under Subsection (b) is for a charitable event from which the proceeds are donated to charity, the information required by Subsection (b) must be reported under a separate category on the report entitled "Charitable Events."

(d) If a registrant or a person on the registrant's behalf with the registrant's consent or ratification makes an expenditure described by Section 305.006(b), other than an expenditure for transportation or lodging, to communicate directly with more than one member of the legislative or executive branch to influence legislation or administrative action, and if the registrant cannot determine the amount that is directly attributable to a member, the registrant shall apportion the expenditure made by that registrant according to the number of persons attending the event. The registrant shall report as required by Subsection (b) if the expenditure for each person exceeds the amount determined by the commission or provided under Subsection (b).

SECTION 2.09. Subchapter A, Chapter 305, Government Code, is amended by adding Section 305.0062 to read as follows:

Sec. 305.0062. MODIFIED REPORTING. (a) A person required to register under this chapter may, when filing the registration form or registration renewal form, elect to file an activities report under this section instead of Section 305.006 if the person does not intend to make expenditures reportable under Section 305.006(b) of more than \$1,000 during a calendar year, not including the person's own travel, food, or lodging expenses or the person's own membership dues.

(b) To be entitled to file reports under this section, the registrant must file with the registration form or registration renewal form a written declaration of intent not to exceed \$1,000 in expenditures during each calendar year in which that registration or registration renewal is effective.

(c) A registrant filing under this section shall annually file the report required by Section 305.006. The report must be filed not later than January 10 and must cover the activities occurring during the previous calendar year.

(d) A registrant who exceeds \$1,000 in expenditures shall file monthly reports as required by Section 305.007. The first report filed after exceeding \$1,000 covers the period beginning January 1 through the date on which the next reporting period ends.

SECTION 2.10. Section 305.007, Government Code, is amended to read as follows:

Sec. 305.007. FILING DATES FOR SUPPLEMENTAL REPORTS. (a) The registrant must file the report required by Section 305.006 between the 1st and 10th day of each month [following a month in which the legislature is in session]. The report must cover the activities occurring during the previous month.

(b) [When the legislature is not in session, the registrant must file the report covering the activities occurring during the preceding calendar quarter between the 1st and 10th day of April, July, October, and January.]

[(c)] A person who made expenditures on the registrant's behalf that are required to be reported under Section 305.006 or a person who has other information that is required to be reported by the registrant under this chapter shall provide a full, verified account of the expenditures to the registrant not later than the seventh day before the date on which the registrant's report is due.

[(d) The first quarterly report following a legislative session may omit an expenditure previously reported under this chapter.]

SECTION 2.11. Subchapter A, Chapter 305, Government Code, is amended by adding Section 305.011 to read as follows:

Sec. 305.011. LIST OF REGISTRANTS AND EMPLOYERS. (a) Not later than February 1 of each odd-numbered year, the secretary shall prepare a list of the names of registrants and shall indicate by each registrant's name each employer or concern employing the registrant.

(b) In addition to the list required under Subsection (a), the secretary shall prepare a list of the names of any employer or concern employing a registrant and shall indicate each registrant compensated by the employer or concern.

(c) The lists prepared under this section shall be sent to each member of the legislature. During a regular legislative session, the secretary shall send a monthly update of the lists to each member of the legislature and to any person required to file under Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), who requests one.

SECTION 2.12. Section 305.022, Government Code, is amended to read as follows:

Sec. 305.022. CONTINGENT FEES. (a) A person may not retain or employ another person to influence legislation or administrative action for compensation that is totally or partially contingent on the passage or defeat of any legislation, [or] the governor's approval or veto of any legislation, or the outcome of any administrative action.

(b) A person may not accept any employment or render any service to influence legislation or administrative action for compensation contingent on the passage or defeat of any legislation, [or] the governor's approval or veto of any legislation, or the outcome of any administrative action.

(c) For purposes of this section, a sales commission payable to an employee of a vendor of a product is not considered compensation contingent on the outcome of administrative action.

(d) This section does not prohibit the payment or acceptance of contingent fees:

(1) expressly authorized by other law; or

(2) for legal representation before state administrative agencies in contested hearings or similar adversarial proceedings prescribed by law or administrative rules.

SECTION 2.13. Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.024 to read as follows:

Sec. 305.024. LOANS AND GIFTS OF CASH OR NEGOTIABLE INSTRUMENTS PROHIBITED. (a) A person registered under Section 305.005 or a person on the registrant's behalf and with the registrant's consent or ratification may not offer, confer, or agree to confer to a member of the legislative or executive branch:

(1) a loan, including the guarantee or endorsement of a loan; or

(2) a gift of cash or a negotiable instrument as described by Section 3.104, Business & Commerce Code.

(b) A member of the legislative or executive branch may not solicit, accept, or agree to accept from a person registered under Section 305.005 or from a person on the registrant's behalf and with the registrant's consent or ratification:

(1) a loan, including the guarantee or endorsement of a loan; or

(2) a gift of cash or a negotiable instrument as described by Section 3.104, Business & Commerce Code.

(c) This section does not apply to a political contribution as defined by Section 251.001, Election Code.

SECTION 2.14. Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.025 to read as follows:

Sec. 305.025. EXPENDITURES FOR TRIPS RESTRICTED. (a) A person registered under Section 305.005 or a person on the registrant's behalf and with the

registrant's consent or ratification may not offer, confer, or agree to confer to a member of the legislative or executive branch an expenditure for transportation or lodging.

(b) This section does not apply to:

(1) necessary expenditures for transportation and lodging when the purpose of the travel is to explore matters directly related to the duties of a member of the legislative or executive branch, such as fact-finding trips, but not including attendance at merely ceremonial events or pleasure trips;

(2) necessary expenditures for transportation and lodging provided in connection with a conference or similar event in which the member renders services, such as addressing an audience or engaging in a seminar, to the extent that those services are more than merely perfunctory;

(3) expenditures for transportation that have only a value of less than \$50; or

(4) a political contribution as defined by Section 251.001, Election Code.

SECTION 2.15. (a) Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.026 to read as follows:

Sec. 305.026. REQUIRED DISCLOSURE ON LEGISLATIVE ADVERTISING. (a) A person commits an offense if the person knowingly enters into a contract or other agreement to print, publish, or broadcast legislative advertising that does not indicate in the advertising:

(1) that it is legislative advertising;

(2) the full name of the individual who personally entered into the contract or agreement with the printer, publisher, or broadcaster and the name of the person, if any, that the individual represents;

(3) in the case of advertising that is printed or published, the address of the individual who personally entered into the agreement with the printer or publisher and the address of the person, if any, that the individual represents; and

(4) the source of the funds that were used to purchase the advertising and the name of any person making a payment to the source for the ultimate purchase of the advertising.

(b) It is an exception to the application of Subsection (a) to a broadcaster of legislative advertising, or to an agent or employee of the broadcaster, that:

(1) the person entering into the contract or agreement with the broadcaster is not the actual sponsor of the advertising but is the sponsor's professional advertising agent conducting business in this state; or

(2) the advertising is procured by the actual sponsor of the legislative advertising and, before the performance of the contract or agreement, the sponsor is given written notice as provided by Subsection (d).

(c) A professional advertising agent conducting business in this state who seeks to procure the broadcasting of legislative advertising on behalf of the sponsor of the advertising commits an offense if the agent enters into a contract or agreement for the broadcasting of legislative advertising and does not, before the performance of the contract or agreement, give the sponsor written notice as provided by Subsection (d).

(d) The notice required by Subsections (b) and (c) must be substantially as follows:

Section 305.026, Government Code, requires legislative advertising to disclose certain information. A person who knowingly enters into a contract or other agreement to print, publish, or broadcast legislative advertising that does not contain the information required under that section commits an offense that is a Class A misdemeanor.

(e) An offense under this section is a Class A misdemeanor.

(f) In this section, "legislative advertising" means a communication that supports, opposes, or proposes legislation and that:

(1) in return for consideration, is published in a newspaper, magazine, or other periodical or is broadcast by radio or television; or

(2) appears in a pamphlet, circular, flier, billboard or other sign, bumper sticker, or similar form of written communication.

(b) Section 305.026, Government Code, as added by this section, applies only to contracts or other agreements for legislative advertising entered into on or after the effective date of this Act.

SECTION 2.16. Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.027 to read as follows:

Sec. 305.027. PROHIBITION ON USE OF CERTAIN PUBLIC FUNDS.

(a) Public funds available to a political subdivision may not be used to compensate or reimburse the expenses over \$50 of any person for the purpose of communicating directly with a member of the legislative branch to influence legislation, unless the person being compensated or reimbursed resides in the district of the member with whom the person communicates or files a written statement with the secretary of state that includes the person's name, the amount of compensation or reimbursement, and the name of the affected political subdivision.

(b) In this section, "political subdivision" includes:

(1) a municipality;

(2) a county; and

(3) a special district created under the constitution or laws of this state,

including:

(A) a school district;

(B) a junior college district;

(C) a water district;

(D) a hospital district;

(E) a municipal utility district;

(F) a metropolitan transit authority; and

(G) any other governmental entity that embraces a geographic area within a definite boundary and exists for the purpose of discharging functions of government and possesses authority for subordinate self-government through officers selected by it.

(c) This section does not apply to a person who is registered under this chapter, to a person who holds an elective or appointive public office, or to a full-time employee of the affected political subdivision.

(d) This section does not prohibit a political subdivision from making an expenditure of public funds to a statewide association with a minimum membership of at least 25 percent of eligible political subdivisions that contract with or employ a registrant for the purpose of communicating directly with a member of the legislative branch to influence legislation.

SECTION 2.17. Sections 305.031(a) and (b), Government Code, are amended to read as follows:

(a) A person commits an offense if the person intentionally or knowingly violates a provision of this chapter other than Section 305.022. An offense under this subsection is a Class A misdemeanor.

(b) A person commits an offense if the person intentionally or knowingly violates Section 305.022. An offense under this subsection is a felony of the third degree.

SECTION 2.18. Section 305.032, Government Code, is amended to read as follows:

Sec. 305.032. CIVIL PENALTY FOR FAILURE TO REGISTER. In addition to the criminal penalties prescribed by Section 305.031, a person who

receives compensation or reimbursement or makes an expenditure for engaging in direct communication to influence legislation or administrative action and who fails to file a registration form or activities report required to be filed under this chapter shall pay a civil penalty in an amount determined by commission rule, but not to exceed ~~[to the state]~~ an amount equal to three times the compensation, reimbursement, or expenditure.

SECTION 2.19. Section 305.033, Government Code, is amended to read as follows:

Sec. 305.033. CIVIL PENALTY FOR LATE FILING. (a) The secretary shall determine from any available evidence whether a registration or report required to be filed with the secretary under this chapter is late. A registration filed without the fee required by Section 305.005 is considered to be late. On making a determination that a required registration or report is late, the secretary shall immediately mail a notice of the determination to the person responsible for the filing, ~~[and]~~ to the commission, and to the appropriate attorney for the state.

(b) If a registration or report is determined to be late, the person responsible for the filing is liable to the state for payment of a civil penalty in an amount determined by commission rule, but not to exceed \$100 for each day that the registration or report is late ~~[of \$100]~~.

(c) If a registration or report is more than 30 days late, the secretary shall issue a warning of liability by registered mail to the person responsible for the filing. If the penalty is not paid before the 10th day after the date on which the warning is received, the person is liable for a penalty in an amount determined by commission rule, but not to exceed \$10,000 [The appropriate attorney for the state may not initiate suit for the penalty until the 10th day after the date on which the notice is mailed under Subsection (a). If the penalty is paid before the 10th day after the mailing, the secretary shall notify the appropriate attorney for the state, and the civil suit under this section may not be initiated].

(d) A penalty paid voluntarily under this section shall be deposited to the credit of the General Revenue Fund.

(e) This section is in addition to any other available sanctions for late filings of registrations or reports.

SECTION 2.20. Section 305.034(c), Government Code, is amended to read as follows:

(c) If the person fails to file the form, statement, or report as required by this chapter before the 21st day after the date on which the notice was sent, the secretary shall file a sworn complaint of the violation with the commission and the appropriate prosecuting attorney.

SECTION 2.21. Sections 305.035(a) and (c), Government Code, are amended to read as follows:

(a) The commission ~~[secretary]~~, the attorney general, or any county or district attorney may enforce this chapter.

(c) A person may file with the appropriate prosecuting attorney or with the commission a written, sworn statement alleging a violation of this chapter.

SECTION 2.22. Subchapter D, Chapter 305, Government Code, is repealed.

SECTION 2.23. A person required to register under Section 305.003, Government Code, as amended by this Act, shall reregister with the secretary of state in compliance with Chapter 305, Government Code, as amended by this Act, not later than January 31, 1992.

ARTICLE 3

SECTION 3.01. Section 2, Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), is amended by adding Subdivision (15) to read as follows:

(15) "Commission" means the Texas Ethics Commission.

SECTION 3.02. Sections 3(a), (b), and (e), Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), are amended to read as follows:

(a) On or before the last Friday in April of each year, every ~~state officer [elected officer, salaried appointed officer, appointed officer of a major state agency, and executive head of a state agency]~~ shall file with the secretary of state a financial statement complying with the requirements of Section 4 of this Act.

(b) In the case of appointments of ~~[salaried]~~ appointed officers ~~and[:]~~ appointments to fill vacancies in elective offices~~[- and appointed officers of major state agencies on and after the effective date of this Act]~~, each appointee shall file the financial statement within 30 days after the date of his appointment or the date he qualifies for the office, or if confirmation by the senate is required, before his confirmation, whichever is earlier.

(e) Except as otherwise provided in this Act, at least 30 days before the deadline date for the filing of a financial statement by each individual required to file, the secretary of state shall mail to the individual two copies of the financial statement form. In the case of candidates other than those covered by Subsection (f) of this section, the forms shall be mailed within 15 days after the filing deadline date. In the case of appointments of ~~[salaried]~~ appointed officers ~~and[:]~~ appointments to fill vacancies in elective offices, ~~[and appointed officers of major state agencies,]~~ the forms shall be mailed within seven days after the date of the appointment, or if the legislature is in session, sooner if possible.

SECTION 3.03. Section 4, Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), is amended by amending Subsection (c) and adding Subsections (f), (g), and (h) to read as follows:

(c) The account of financial activity referred to in Subsection (a) of this section shall consist of:

(1) a list of all sources of occupational income, identified by employer, or if self-employed, by the nature of the occupation, including identification of any person, business entity, or other organization from whom the person or a business in which he has a substantial interest received a fee as a retainer for a claim on future services in case of need (as opposed to a fee for services on a matter specified at the time of contracting for or receiving the fee), whenever professional or occupational services were not actually performed during the reporting period commensurate to or in excess of the amount of the retainer, and the category of the amount of the fee;

(2) identification by name and category of number of shares of stock of any business entity held or acquired, and if sold the category of the amount of net gain or loss realized from such sale;

(3) a list of all bonds, notes, and other commercial paper held or acquired, and if sold the category of the amount of net gain or loss realized from such sale;

(4) identification of each source and the category of the amount of income in excess of \$500 derived per source from interest, dividends, royalties, and rents;

(5) identification of each person or financial institution to whom a personal note or notes for a total financial liability in excess of \$1,000 existed at any time during the year, and the category of the amount of the liability;

(6) identification by description of all beneficial interests in real property and business entities held or acquired, and if sold the category of the amount of the net gain or loss realized from such sale;

(7) identification of any person, business entity, or other organization from whom the person or his spouse or dependent children received a gift that

exceeds in value an amount determined by commission rule [of money or property in excess of \$250 in value or a series of gifts of money or property, the total of which exceeds \$250 in value received from the same source;] and a description of each gift, except:

(A) gifts received from persons related to the person at any time within the second degree of consanguinity or affinity;

(B) political [and campaign] contributions that [which] were reported as required by law; and

(C) expenditures required to be reported under Chapter 305, Government Code;

(8) identification of the source and the category of the amount of all income received as beneficiary of a trust and identification of each asset, if known to the beneficiary, from which income was received by the beneficiary in excess of \$500;

(9) identification by description and category of the amount of all assets and liabilities of any corporation or partnership in which 50 percent or more of the outstanding ownership [stock] was held, acquired, or sold;

(10) a list of all boards of directors of which the person is a member and executive positions which he holds in corporations, firms, partnerships, and proprietorships, stating the name of each corporation, firm, partnership, or proprietorship and the position held; and

(11) identification of any person providing transportation, meals, or lodging expenses permitted under Section 36.07(b), Penal Code, and the amount of those expenses, other than expenditures required to be reported under Chapter 305, Government Code.

(f) A state officer who receives a fee for services rendered by the officer to or on behalf of a person required to be registered under Chapter 305, Government Code, or to or on behalf of a person or entity that the officer actually knows directly compensates or reimburses a person required to be registered under Chapter 305, Government Code, shall report on the financial statement the name of each person or entity for which the services were rendered and the category of the amount of each fee.

(g) A member of the legislature who is an attorney for a party to a criminal or civil suit and who receives a continuance of the suit or matters ancillary to the suit under Section 30.003, Civil Practice and Remedies Code, shall report on the financial statement the style of the case for which the continuance was received, the date on which the continuance was granted, and the category of the amount of the fee received for that case.

(h) A state officer who receives income, compensation, commission, or fees in an amount of \$15,000 or more from a single source for services rendered by the officer shall report on the financial statement the name of the source who paid the amount to the officer, the amount paid by category, the nature of the services performed, the name of any person on whose behalf the source requested that the services be performed, and the name of any person making a payment to the source for ultimate payment to the officer for those services. However, if the name of a person required under this subsection is otherwise privileged for reasons of violations of criminal law, the officer may file that name with the secretary of state on a separate confidential document.

SECTION 3.04. Section 7, Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 7. PROHIBITED ACTS. (a) No member of the legislature shall, for compensation, represent another person before a state agency in the executive branch of state government unless:

[(1) the representation is made in a proceeding that is adversary in nature or other public hearing which is a matter of record; or

[(2)] the representation involves the filing of documents, contacts with such agency, or other relations, which involve only ministerial acts on the part of the commission, agency, board, department, or officer.

(b) A member of the legislature who violates this section commits an offense. An offense under this subsection [section] is a Class A misdemeanor.

(c) This section does not apply to representation of a person:

(1) before the Texas Workers' Compensation Commission;

(2) before the Texas Department of Criminal Justice, including the pardons and paroles division;

(3) before the Board of Pardons and Paroles; or

(4) in a matter that was pending, and in regard to which the member of the legislature was employed, on January 1, 1992.

(d) No member of the legislature may vote on a measure or a bill that will directly benefit a specific business transaction of a business entity in which the member has a controlling interest.

(e) In Subsection (d) of this section, "controlling interest" includes:

(1) an ownership interest or participating interest by virtue of shares, stock, or otherwise that exceeds 10 percent;

(2) membership on the board of directors or other governing body of the business entity; or

(3) serving as an officer of the business entity.

(f) A member of the legislature who violates Subsection (d) of this section commits an offense. An offense under this subsection is a Class A misdemeanor.

(g) Subsection (d) of this section does not apply to a measure that will affect an entire class of business entities.

SECTION 3.05. Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), is amended by adding Sections 7A, 7B, and 7C to read as follows:

Sec. 7A. REPRESENTATION BY FORMER OFFICER OR EMPLOYEE OF REGULATORY AGENCY PROHIBITED. (a) This section applies only to:

(1) a state officer of a regulatory agency; or

(2) a state employee of a regulatory agency who is compensated, as of the last date of state employment, at or above the amount prescribed by the General Appropriations Act for step 1, salary group 17, of the position classification salary schedule, including an employee who is exempt from the state's position classification plan.

(b) A former state officer or employee of a regulatory agency who ceases service or employment with that agency on or after January 1, 1992, may not represent any person or receive compensation for services rendered on behalf of any person regarding a particular matter in which the former officer or employee participated during the period of state service or employment, either through personal involvement or because the case or proceeding was a matter within the officer's or employee's official responsibility.

(c) If other law restricts the representation of a person before a particular state agency by a former state officer or employee of that agency, the other law prevails over this section.

(d) A person commits an offense if the person violates this section. An offense under this section is a Class A misdemeanor.

(e) In this section:

(1) "Regulatory agency" means any department, commission, board, or other agency that:

(A) is in the executive branch of state government;

(B) has authority that is not limited to a geographical portion of the state;
(C) was created by the constitution or a statute of this state; and
(D) has constitutional or statutory authority to engage in rulemaking, adjudication, or licensing.

(2) "Participated" means to have taken action as an officer or employee through decision, approval, disapproval, recommendation, giving advice, investigation, or similar action.

(3) "Particular matter" means a specific investigation, application, request for a ruling or determination, rulemaking proceeding, contract, claim, charge, accusation, arrest, or judicial or other proceeding.

Sec. 7B. CERTAIN SOLICITATIONS OF REGULATED BUSINESS ENTITIES PROHIBITED. (a) An association or organization of employees of a regulatory agency, other than an agency regulating the operation of motor vehicles or the inspection thereof or an agency enforcing the parks and wildlife laws of this state, may not solicit, accept, or agree to accept any thing of value from any business entity regulated by that agency and from which the business entity must obtain a permit to operate that business in this state, or from an individual directly or indirectly connected with that business entity.

(b) A business entity regulated by a regulatory agency, other than an agency regulating the operation of motor vehicles or the inspection thereof or an agency enforcing the parks and wildlife laws of this state, and required to obtain a permit from that agency to operate that business in this state, or an individual directly or indirectly connected with that business entity, may not offer, confer, or agree to confer on an association or organization of employees of that agency any thing of value.

(c) A person commits an offense if the person intentionally or knowingly violates this section. An offense under this section is a Class A misdemeanor.

Sec. 7C. CONTRACTS WITH GOVERNMENTAL ENTITIES. (a) A state officer may not solicit or accept from the state, a political subdivision of the state, or a governmental entity created under the constitution or laws of the state a commission, fee, bonus, retainer, or rebate that is compensation for the officer's personal solicitation for the award of a contract for services or sale of goods to the state, a political subdivision of the state, or a governmental entity created under the constitution or laws of the state, excluding contracts that are awarded by competitive bid as provided by law and that are not otherwise prohibited by law and all court appointments.

(b) A state officer who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

(c) This section applies only to a person who is a state officer on or after January 1, 1993. This subsection expires January 2, 1993.

SECTION 3.06. Section 12, Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 12. ADDITIONAL DUTY OF SECRETARY OF STATE. The secretary of state shall conduct a continuing survey to determine whether all persons required to file financial statements under this Act have actually filed the statements in compliance with this Act. Whenever he determines that a person who is required to file a financial statement has failed to file the statement in compliance with this Act, the secretary of state shall send a written statement of his finding to the appropriate prosecuting attorneys of the state and to the commission.

SECTION 3.07. Section 12A(b), Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) If a statement is determined to be late, the person responsible for filing the statement is civilly liable to the state for an amount determined by commission rule, but not to exceed \$100 for each day that the statement is late. If a statement is more than 30 days late, the secretary of state shall issue a warning of liability by registered mail to the person responsible for the filing. If the penalty is not paid before the 10th day after the date on which the warning is received, the person is liable for a penalty in an amount determined by commission rule, but not to exceed \$10,000 [~~\$100~~. The appropriate attorney for the state may not initiate suit for the penalty until the 10th day after the date the notice is mailed under Subsection (a) of this section. If the penalty is paid before the 10th day after the mailing, the secretary of state shall notify the appropriate attorney for the state, and the civil suit under this section may not be initiated].

SECTION 3.08. Sections 2(4) and (5) and Section 5, Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), are repealed.

ARTICLE 4

SECTION 4.01. Chapter 36, Penal Code, is amended by adding Section 36.07 to read as follows:

Sec. 36.07. ACCEPTANCE OF HONORARIUM. (a) A public servant commits an offense if the public servant solicits, accepts, or agrees to accept an honorarium in consideration for services that the public servant would not have been requested to provide but for the public servant's official position or duties.

(b) This section does not prohibit a public servant from accepting transportation and lodging expenses permitted under Section 305.025(b)(2), Government Code, in connection with a conference or similar event or from accepting meals in connection with such an event.

(c) An offense under this section is a Class A misdemeanor.

SECTION 4.02. Section 36.08, Penal Code, is amended by adding Subsection (h) to read as follows:

(h) A public servant who is a hearing examiner employed by an agency performing regulatory functions and who conducts hearings in contested cases commits an offense if the public servant solicits, accepts, or agrees to accept any benefit from any person. The exception provided by Section 36.10(b) of this code does not apply to a benefit under this subsection.

SECTION 4.03. Section 36.10, Penal Code, is amended to read as follows:

Sec. 36.10. NON-APPLICABLE. (a) Sections 36.08 (Gift to Public Servant) and 36.09 (Offering Gift to Public Servant) of this code do not apply to:

(1) a fee prescribed by law to be received by a public servant or any other benefit to which the public servant is lawfully entitled or for which he gives legitimate consideration in a capacity other than as a public servant;

(2) a gift or other benefit conferred on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient; or

(3) [an honorarium in consideration for legitimate services rendered above and beyond official duties and responsibilities if:

[(A) not more than one honorarium is received from the same person in a calendar year;

[(B) not more than one honorarium is received for the same service; and

[(C) the honorarium and expenses, regardless of amount, are reported in the financial statement filed under Chapter 421, Acts of the 63rd Legislature, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), if the recipient is required to file a financial statement under that Act;

[(4) a benefit consisting of food, lodging, transportation, or entertainment accepted as a guest and reported as required by law; or

~~[(5)]~~ a benefit to a public servant required to file a statement under Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes), or a report under Title 15, Election Code ~~[Section 243, Texas Election Code (Article 14.07, Vernon's Texas Election Code)]~~, that is derived from a function in honor or appreciation of the recipient if:

(A) the benefit and the source of any benefit in excess of \$50 is reported in the statement; and

(B) the benefit is used solely to defray the expenses that accrue in the performance of duties or activities in connection with the office which are nonreimbursable by the state or political subdivision.

~~[(6) Subsection (5) of Section 36.10 of this Act does not apply to those public servants designated in Section 36.08(f) of this Act 30 days prior to or during a regular session of the Texas Legislature.]~~

(b) Section 36.08 (Gift to Public Servant) of this code does not apply to food, lodging, transportation, or entertainment accepted as a guest and, if the donee is required by law to report those items, reported by the donee in accordance with that law.

(c) Section 36.09 (Offering Gift to Public Servant) of this code does not apply to food, lodging, transportation, or entertainment accepted as a guest and, if the donor is required by law to report those items, reported by the donor in accordance with that law.

ARTICLE 5

SECTION 5.01. Section 251.001, Election Code, is amended by amending Subdivisions (2) and (14) and adding Subdivision (20) to read as follows:

(2) "Contribution" means a direct or indirect transfer of money, goods, services, or any other thing of value and includes an agreement made or other obligation incurred, whether legally enforceable or not, to make a transfer. The term does not include:

(A) ~~[an honorarium to a public servant that is excluded from the application of penal sanctions by Section 36.10(3), Penal Code; or~~

~~[(B)] a loan made in the due course of business by a corporation that is legally engaged in the business of lending money and that has conducted the business continuously for more than one year before the loan is made; or~~

(B) an expenditure required to be reported under Section 305.006(b), Government Code.

(14) "General-purpose committee" means a political committee that has among its principal purposes:

(A) supporting or opposing ~~[one or more]~~:

(i) ~~two or more~~ candidates who are unidentified or are seeking offices that are unknown; or

(ii) ~~one or more~~ measures that are unidentified; or

(B) assisting ~~two~~ ~~[one]~~ or more officeholders who are unidentified.

(20) "Commission" means the Texas Ethics Commission.

SECTION 5.02. The heading to Subchapter B, Chapter 251, Election Code, is amended to read as follows:

SUBCHAPTER B. DUTIES OF SECRETARY OF STATE AND COMMISSION

SECTION 5.03. Section 251.031, Election Code, is amended to read as follows:

Sec. 251.031. INTERPRETATION AND ADMINISTRATION. (a) The secretary of state shall interpret and administer this title in the exercise of the secretary's authority stated in Section 31.003.

(b) The secretary of state shall make the interpretations and administrative rulings available to any person on request.

(c) The secretary of state may not issue advisory opinions concerning activities under this title.

SECTION 5.04. Sections 251.034 and 251.035, Election Code, are repealed.

SECTION 5.05. Section 253.034(b), Election Code, is amended to read as follows:

(b) A statewide officeholder, a member of the legislature, or a specific-purpose committee for supporting, opposing, or assisting a statewide officeholder or member of the legislature may not knowingly accept a political contribution, and shall refuse a political contribution that is received, during the period prescribed by Subsection (a). A political contribution that is received and refused during that period shall be returned to the contributor. A contribution made by mail is not considered received during that period if it was placed with postage prepaid and properly addressed in the United States mail before the beginning of the period. The date indicated by the post office cancellation mark is considered to be the date the contribution was placed in the mail unless proven otherwise.

SECTION 5.06. Sections 253.035(d) and (i), Election Code, are amended to read as follows:

(d) In this section, "personal use" means a use that primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office. The term does not include:

(1) payments made to defray ordinary and necessary expenses incurred in connection with activities as a candidate or in connection with the performance of duties or activities as a public officeholder, including payment of rent, [interest;] utility, and other reasonable housing or household expenses incurred in maintaining a residence in Travis County by members of the legislature who do not ordinarily reside in Travis County, but excluding payments prohibited under Section 253.038; or

(2) payments of federal income taxes due on interest and other income earned on political contributions.

(i) Except as provided by Subsection (j), "personal use" does not include the use of contributions for:

(1) defending a criminal action or prosecuting or defending a civil action brought by or against the person in his status as a candidate or officeholder; or

(2) participating in an election contest or participating in a civil action to determine a person's eligibility to be a candidate for, or elected or appointed to, a public office in this state.

SECTION 5.07. Sections 253.035(j) and (k), Election Code, are repealed.

SECTION 5.08. Subchapter B, Chapter 253, Election Code, is amended by adding Sections 253.038-253.041 to read as follows:

Sec. 253.038. PAYMENTS MADE TO PURCHASE REAL PROPERTY PROHIBITED. (a) A candidate or officeholder or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder may not knowingly make or authorize a payment from a political contribution to purchase real property or to pay the interest on or principal of a note for the purchase of real property.

(b) A person who violates this section commits an offense. An offense under this subsection is a Class A misdemeanor.

Sec. 253.039. PAYMENTS MADE TO CERTAIN BUSINESSES PROHIBITED. (a) A candidate or officeholder or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder may not knowingly make or authorize a payment from a political contribution to a business in which the candidate or officeholder has a participating interest of more than 10 percent,

holds a position on the governing body of the business, or serves as an officer of the business.

(b) A person who violates this section commits an offense. An offense under this subsection is a Class A misdemeanor.

Sec. 253.040. CONTRIBUTIONS IN PUBLIC BUILDING PROHIBITED.

(a) A person may not knowingly make or authorize a political contribution while in a public building to a candidate, officeholder, or political committee.

(b) A candidate, officeholder, or political committee may not knowingly accept a political contribution, and shall refuse a political contribution that is received, in a public building.

(c) This section does not apply to contributions made in a public building through the United States postal service.

(d) A person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

(e) In this section, "public building" means a building wholly owned and occupied or wholly leased and occupied by a governmental entity.

Sec. 253.041. SEPARATE OFFICEHOLDER ACCOUNT PROHIBITED.

A candidate or officeholder may not maintain officeholder contributions accepted by that person in an account separate from campaign contributions accepted by that person.

SECTION 5.09. Section 254.036, Election Code, is amended to read as follows:

Sec. 254.036. FORM OF REPORT; AFFIDAVIT; MAILING OF FORMS.

(a) Each report filed under this chapter must be on a form prescribed by the secretary of state and must be written in black ink or typed with black typewriter ribbon unless the report is a computer printout. If the report is a computer printout, the printout must conform to the same format and paper size as the form prescribed by the secretary of state.

(b) Each report filed under this chapter must be accompanied by an affidavit executed by the person required to file the report. The affidavit must contain the statement: "I swear, or affirm, that the accompanying report is true and correct and includes all information required to be reported by me under Title 15, Election Code."

(c) Not later than the 30th day before the end of a reporting period, the secretary of state shall mail the appropriate forms to each person required to file a report with the secretary of state during that reporting period.

SECTION 5.10. Subchapter B, Chapter 254, Election Code, is amended by adding Section 254.0381 to read as follows:

Sec. 254.0381. REPORT DURING SPECIAL LEGISLATIVE SESSION.

(a) A statewide officeholder, a member of the legislature, or a specific-purpose committee for supporting, opposing, or assisting a statewide officeholder or member of the legislature, or a candidate or specific-purpose committee for supporting or opposing the candidate, that accepts a political contribution during the period beginning on the date a special session of the legislature is called by the governor and ending on the date of final adjournment shall report the contribution to the secretary of state not later than the 30th day after the date the contribution is accepted.

(b) A determination to accept or refuse the political contribution shall be made not later than the third day after the date the contribution is received.

(c) Each report required by this section must include the information required by Section 254.031.

SECTION 5.11. Section 254.042(b), Election Code, is amended to read as follows:

(b) If a report is determined to be late, the person required to file the report is civilly liable to the state for an amount determined by commission rule, but not to exceed \$100 for each day that the report is late. If a report is more than 30 days late, the secretary of state shall issue a warning of liability by registered mail to the person required to file the report. If the penalty is not paid before the 10th day after the date on which the warning is received, the person is liable for a penalty in an amount determined by commission rule, but not to exceed \$10,000 [~~\$100. If the penalty is not paid by the 10th day after the date the notice is mailed under Subsection (a), the secretary of state shall notify the attorney general to initiate suit to recover the civil penalty.~~].

SECTION 5.12. Section 252.003, Election Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) In addition to the information required by Section 252.002, a campaign treasurer appointment by a general-purpose committee must include:

(1) the full name, and any acronym of the name that will be used in the name of the committee as provided by Subsection (d), of each corporation, labor organization, or other association or legal entity that directly establishes, administers, or controls the committee, if applicable, or the name of each person who determines to whom the committee makes contributions or the name of each person who determines for what purposes the committee makes expenditures;

(2) the full name and address of each general-purpose committee to whom the committee intends to make political contributions; and

(3) the name of the committee and, if the name is an acronym, the words the acronym represents.

(d) The name of a general-purpose committee must include the name of each corporation, labor organization, or other association or legal entity other than an individual that directly establishes, administers, or controls the committee. The name of an entity that is required to be included in the name of the committee may be a commonly recognized acronym by which the entity is known.

SECTION 5.13. Section 252.0031, Election Code, is amended to read as follows:

Sec. 252.0031. CONTENTS OF APPOINTMENT BY SPECIFIC-PURPOSE COMMITTEE. (a) In addition to the information required by Section 252.002, a campaign treasurer appointment by a specific-purpose committee for supporting or opposing a candidate for an office specified by Section 252.005(1) must include the name of and the office sought by the candidate. If that information changes, the committee shall immediately file an amended appointment reflecting the change.

(b) The name of a specific-purpose committee for supporting a candidate for an office specified by Section 252.005(1) must include the name of the candidate that the committee supports.

SECTION 5.14. Chapter 256, Election Code, is repealed.

ARTICLE 6

SECTION 6.01. RESTRICTIONS ON REIMBURSEMENT WITH CERTAIN PUBLIC FUNDS. (a) An officer or employee of the state or of a political subdivision, including any special-purpose district or authority, may be reimbursed with public funds for lodging or meal expenses only to the extent those expenses are determined to be reasonable and necessary under guidelines issued by the Texas Ethics Commission. This subsection does not apply if restrictions on those expenses are established by other law.

(b) The officer or employee may not be reimbursed for transportation expenses on a common carrier in an amount exceeding the lowest available fare.

ARTICLE 7

SECTION 7.01. DEFINITIONS. In this article:

(1) "Advertising client" means a person that compensates a publisher for publishing a message on the person's behalf.

(2) "Editorial" means a statement that expresses or purports to express the opinion of:

- (A) the person publishing the statement; or
- (B) an employee or agent of the person publishing the

statement.

(3) "Legislative matter" means any issue that is being considered by the legislature or a legislative committee, including a bill, resolution, or proposed constitutional amendment.

(4) "Person" includes corporation, organization, business trust, trust, partnership, association, or any other legal entity.

(5) "Publisher" means a person that:

- (A) writes, edits, prints, or distributes a newspaper or magazine that contains paid advertising; or
- (B) produces or distributes, by broadcasting or cablecasting, television or radio signals that include paid advertising.

SECTION 7.02. REQUIRED DISCLOSURE ACCOMPANYING EDITORIAL. (a) A person may not publish an editorial that expresses an opinion on a legislative matter unless the publication is accompanied by a disclosure that:

(1) identifies each advertising client of the publisher with whom the publisher has an economic conflict of interest; and

(2) for each advertising client identified under Subdivision (1) of this subsection, states the amount of advertising revenue that the publisher received in the 24 months preceding publication of the editorial.

(b) A person is not required to disclose an advertising client under Subsection (a)(1) of this section if the most recent advertisement published for the client was published more than 24 months before publication of the editorial.

(c) If the editorial is published in a newspaper or magazine, the disclosure required by Subsection (a) of this section must appear on the same page as the editorial.

(d) If the editorial is published by broadcasting or cablecasting television or radio signals, the disclosure required by Subsection (a) of this section must immediately follow the editorial.

SECTION 7.03. CIVIL PENALTY. (a) A person that intentionally or knowingly fails to make a disclosure required by Section 7.02 of this article is subject to a civil penalty of \$500. A separate penalty may be imposed for each disclosure a person fails to make.

(b) Any person who has knowledge of a violation of Section 7.02 of this article may file a complaint with the Texas Ethics Commission as provided by Article 1 of this Act.

(c) It is a defense to the imposition of a civil penalty under this section that the publisher determined in good faith that the publisher did not have an economic conflict of interest with an advertising client whose identity was not disclosed.

ARTICLE 8

SECTION 8.01. Chapter 21, Government Code, is amended by adding Section 21.010 to read as follows:

Sec. 21.010. DISCLOSURE OF SPECIAL RELATIONSHIP BETWEEN JUDGE AND PARTY OR ATTORNEY. (a) In this section, "special relationship" means a connection that:

(1) existed or exists between a judge hearing a case and:

- (A) a party to the case; or
- (B) an attorney representing a party to the case; and

(2) might reasonably result in the judge's impartiality being questioned.

(b) A special relationship is defined as:

(1) a present legal relationship, including the representation of the judge in unrelated litigation by a law firm that represents a party to the case;

(2) a financial or business relationship, including:

(A) membership by the judge in a law firm that represents a party to the case;

(B) an investment partnership in which the judge and a party or an attorney are partners; or

(C) a privately held corporation in which the judge and a party or an attorney are shareholders; or

(3) a political relationship, including a political contribution of more than \$5,000 within the preceding 12 months, made by a party or an attorney or law firm representing a party to the judge or the judge's campaign committee.

(c) A judge shall, at the earliest opportunity, disclose to the parties any special relationship that the judge has with a party or an attorney representing a party.

(d) A complaint of judicial bias based on a special relationship must be raised at the earliest opportunity after the party learns of the special relationship, and must be raised and determined in the manner provided by Rule 18a, Texas Rules of Civil Procedure.

(e) This section does not apply if grounds for disqualification or recusal exist under Section 21.005; Article V, Section 11, of the Texas Constitution; or Rule 18b, Texas Rules of Civil Procedure.

SECTION 8.02. Section 8.01 of this Act applies to an action without regard to whether the action was commenced before or is commenced on or after the effective date of this Act, in which, on the effective date of this Act, no final judgment has been entered.

ARTICLE 9

SECTION 9.01. Chapter 159, Local Government Code, is amended to read as follows:

CHAPTER 159. FINANCIAL DISCLOSURE BY COUNTY OFFICERS AND EMPLOYEES SUBCHAPTER A. FINANCIAL DISCLOSURE BY COUNTY OR DISTRICT OFFICERS

Sec. 159.001. DEFINITIONS. In this subchapter:

(1) "Business entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint stock company, receivership, trust, or any other entity recognized by law through which business for profit is conducted.

(2) "County or district officer" means:

(A) a judge of a statutory county court, justice of the peace, and a master, magistrate, or referee appointed by one of those judges;

(B) a county judge, county commissioner, sheriff, county attorney, district attorney, criminal district attorney, county tax assessor-collector, county clerk, district clerk, county treasurer, county auditor, or county purchasing agent;

(C) a constable; or

(D) any other elected or appointed county or precinct officer.

Sec. 159.002. DETERMINATION OF SUBSTANTIAL INTEREST. A person has a substantial interest in a business entity if the person:

(1) has controlling interest in the business entity;

(2) has ownership in excess of 10 percent of the voting interest in the business entity or in excess of \$25,000 of the fair market value of the business entity;

(3) has any participating interest, either direct or indirect, by shares, stock, or otherwise, whether or not voting rights are included, in the profits, proceeds, or capital gains of the business entity in excess of 10 percent of them;

(4) holds the position of a member of the board of directors or other governing board of the business entity;

(5) serves as an elected officer of the business entity; or

(6) is an employee of the business entity.

Sec. 159.003. FINANCIAL STATEMENT REQUIRED. (a) A county or district officer or a candidate for a county or district office shall file a financial statement as required by this subchapter.

(b) The statement must be:

(1) filed with the county auditor of the county in which the officer or candidate resides;

(2) filed on the form provided by the county auditor; and

(3) verified.

Sec. 159.004. CONTENTS OF FINANCIAL STATEMENT. (a) The financial statement must include an account of the financial activity of the county or district officer or candidate for a county or district office and an account of the financial activity of the person's spouse and dependent children if the person had actual control over that activity for the preceding calendar year.

(b) The account of financial activity consists of:

(1) a list of all sources of occupational income, identified by employer, or if self-employed, by the nature of the occupation, including identification of any person, business entity, or other organization from which the person or a business in which the person has a substantial interest received a fee as a retainer for a claim on future services in case of need, as opposed to a fee for services on a matter specified at the time of contracting for or receiving the fee, whenever professional or occupational services were not actually performed during the reporting period equal to or in excess of the amount of the retainer, and the category of the amount of the fee;

(2) identification by name and category of number of shares of stock of any business entity held or acquired, and if sold, the category of the amount of net gain or loss realized from the sale;

(3) a list of all bonds, notes, and other commercial paper held or acquired, and if sold, the category of the amount of net gain or loss realized from the sale;

(4) identification of each source and the category of the amount of income in excess of \$500 derived per source from interest, dividends, royalties, and rents;

(5) identification of each person or financial institution to whom a personal note or notes for a total financial liability in excess of \$1,000 existed at any time during the year, and the category of the amount of the liability;

(6) identification by description of all beneficial interests in real property and business entities held or acquired, and if sold, the category of the amount of the net gain or loss realized from the sale;

(7) identification of any person, business entity, or other organization from which the person or the person's spouse or dependent children received a gift of money or property in excess of \$250 in value or a series of gifts of money or property, the total of which exceeds \$250 in value received from the same source, and a description of each gift, except gifts received from persons related to the person at any time within the second degree by consanguinity or affinity and campaign contributions that were reported as required by law;

(8) identification of the source and the category of the amount of all income received as beneficiary of a trust and identification of each asset, if known

to the beneficiary, from which income was received by the beneficiary in excess of \$500;

(9) identification by description and category of the amount of all assets and liabilities of any corporation in which 50 percent or more of the outstanding stock was held, acquired, or sold; and

(10) a list of all boards of directors of which the person is a member and executive positions that the person holds in corporations, firms, partnerships, and proprietorships, stating the name of each corporation, firm, partnership, or proprietorship and the position held.

Sec. 159.005. REPORTING CATEGORIES. (a) If an amount is required to be reported by category, the person filing the statement shall report whether the amount is less than \$1,000, at least \$1,000 but less than \$5,000, or \$5,000 or more.

(b) The person filing the statement shall report an amount of stock by category of number of shares instead of by category of dollar value, and shall report whether the amount is less than 100 shares, at least 100 but less than 500 shares, or 500 shares or more.

(c) The person filing the statement shall report a description of real property by the number of lots or number of acres, as applicable, in each county and the name of the county.

Sec. 159.006. DETERMINATION OF DEPENDENT CHILD. A person's natural child, adopted child, or stepchild is the person's dependent child during a calendar year if the person provides over 50 percent of the child's support during the year.

Sec. 159.007. FILING DATES FOR OFFICERS. (a) Not later than the last Friday in April of each year, a county or district officer shall file the financial statement required by this subchapter.

(b) A person who is appointed to a county or district office or to fill a vacancy in a county or district office shall file the first financial statement not later than the 30th day after the date of appointment.

(c) A county or district officer may request the county auditor to grant an extension of time of not more than 60 days for filing the statement. The county auditor shall grant the request if it is received before the filing deadline or if a timely filing or request for extension is prevented because of physical or mental incapacity. The county auditor may not grant more than one extension to a person in one year except for good cause shown.

Sec. 159.008. FILING DATES FOR CANDIDATES. (a) Not later than the 40th day after the date of the regular filing deadline for an application for a place on the ballot in the general primary election, a person who is a candidate for a county or district office, whether partisan or independent, shall file the financial statement required by this subchapter.

(b) If the deadline, other than the regular filing deadline for an independent candidate, under which a candidate files an application for a place on the ballot or a declaration of write-in candidacy falls after the date of the regular filing deadline for candidates in the general primary election, the candidate shall file the financial statement not later than the 30th day after that later deadline. However, if that deadline falls within 35 days of the date of the election in which the candidate is running, the candidate shall file the statement not later than the fifth day before that election.

(c) A person nominated as a replacement candidate to fill a vacancy in a party nomination for a county or district office shall file the financial statement not later than the 15th day after the date the certificate of the replacement nomination is filed.

(d) The county auditor may not grant an extension for a person required to file under this section.

Sec. 159.009. DUPLICATE STATEMENTS. If a person has filed a financial statement under one provision of this subchapter covering the preceding calendar year, the person is not required to file a financial statement required under another provision of this subchapter to cover that same year if, before the deadline for filing the statement under the other provision, the person notifies the county auditor in writing that the person has already filed a financial statement under this subchapter to cover that year.

Sec. 159.010. TIMELINESS OF FILING. (a) The deadline for filing a financial statement required by this subchapter is 5 p.m. of the last day designated in the applicable provision for filing the statement.

(b) If the last day for filing the financial statement is a Saturday, Sunday, or legal state or national holiday, the statement is timely if filed on the next regular business day.

(c) A financial statement is timely filed if it is properly addressed and placed in the United States Post Office or in the hands of a common or contract carrier not later than the last day for filing the financial statement. The post office cancellation mark or the receipt mark of a common or contract carrier is prima facie evidence of the date the statement was deposited with the post office or carrier. The person filing the statement may show by competent evidence that the actual date of posting was different from that shown by the marks.

Sec. 159.011. DUTIES OF COUNTY AUDITOR. (a) The county auditor shall prepare forms to be used for filing the financial statement under this subchapter that are substantially similar to the financial statement forms prepared by the secretary of state under Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes).

(b) Except as otherwise provided by this section, the county auditor shall mail two copies of the financial statement form to each person in the county required to file under this subchapter.

(c) The forms must be mailed not later than:

(1) the 30th day before the deadline for filing the financial statement under Section 159.007(a);

(2) the seventh day after the date of appointment for persons required to file under Section 159.007(b);

(3) the 15th day after the deadline for filing an application for a place on the ballot or a declaration of write-in candidacy for candidates required to file under Sections 159.008(a) and (b); and

(4) the fifth day after the date the certificate of the replacement nomination is filed for candidates required to file under Section 159.008(c).

(d) The county auditor shall conduct a continuing survey to determine whether all persons required to file financial statements under this subchapter have actually filed statements in compliance with this subchapter.

(e) If the county auditor determines that a person has failed to file the statement in compliance with this subchapter, the auditor shall send a written statement of the auditor's determination to the county attorney or to the criminal district attorney.

Sec. 159.012. PUBLIC ACCESS TO STATEMENTS. (a) Financial statements filed under this subchapter are public records. The county auditor shall maintain the statements in separate alphabetical files and in a manner that is accessible to the public during regular office hours.

(b) During the one-year period following the filing of a financial statement, each time a person, other than the county auditor or an employee of the county auditor who is acting on official business, requests to see the financial statement, the county auditor shall place in the file a statement of the person's name and address, whom the person represents, and the date of the request. The county auditor shall retain

that statement in the file for one year after the date the requested financial statement is filed.

(c) The county auditor may, and on notification from a former officer or candidate shall, destroy any financial statements filed by the officer or candidate two years after the person ceases to be an officer or candidate, as applicable.

Sec. 159.013. CRIMINAL PENALTY. (a) A county or district officer or candidate commits an offense if the officer knowingly fails to file a financial statement as required by this subchapter.

(b) An offense under this section is a Class B misdemeanor.

(c) It is a defense to prosecution under this section that the officer did not receive copies of the financial statement form required to be mailed to the officer by this subchapter.

Sec. 159.014. VENUE. An offense under this subchapter, including perjury, may be prosecuted in any county in which it may be prosecuted under the Code of Criminal Procedure.

Sec. 159.015. CIVIL PENALTY. (a) The county auditor shall determine from any available evidence whether a statement required to be filed under this subchapter is late. On making that determination, the county auditor shall immediately mail a notice of the determination to the person responsible for filing the statement and to the county attorney or criminal district attorney.

(b) If a statement is determined to be late, the person responsible for filing the statement is civilly liable to the county for \$100. The county attorney or criminal district attorney may not initiate suit for the penalty until the 10th day after the date the notice is mailed under this section. If the penalty is paid before the 10th day after the mailing, the county auditor shall notify the county attorney or criminal district attorney, and the civil suit under this section may not be initiated.

(c) A penalty paid under this section shall be deposited to the credit of the general fund of the county.

(d) This section is cumulative of any other available sanctions for late filings of statements.

Sec. 159.016. APPLICABILITY OF SUBCHAPTER TO MUNICIPAL OFFICERS. The Texas Ethics Commission may adopt reasonable rules requiring a municipal officer to report under this subchapter.

[Sections 159.017-159.030 reserved for expansion]

SUBCHAPTER B. FINANCIAL DISCLOSURE BY COUNTY EMPLOYEES

Sec. 159.031. COUNTY COVERED BY SUBCHAPTER [CHAPTER]. This subchapter [chapter] applies only to a county with a population of 125,000 or more.

Sec. 159.032 [159.002]. DEFINITION [DEFINITIONS]. In this subchapter, "county [chapter]

[(1) "County officer" means a county judge, county commissioner, sheriff, county attorney, district attorney, criminal district attorney, county tax assessor-collector, county clerk, district clerk, county treasurer, county auditor, and county purchasing agent.

[(2) "Precinct officer" means a constable.

[(3) "County judicial officer" means a judge of a statutory county court, justice of the peace, and a master, magistrate, or referee appointed by one of those judges.

[(4) "County employee" does not include a county or district officer as defined by Section 159.001 [person covered by Subdivision (1), (2), or (3)].

Sec. 159.033 [159.003]. FINANCIAL DISCLOSURE REPORTING SYSTEM. (a) The commissioners court of the county may adopt by order a financial disclosure reporting system for [county officers, precinct officers, county judicial officers, candidates for those offices, and] county employees.

(b) The commissioners court shall prescribe the items required to be reported and the times the report is due.

(c) If reporting is required, the commissioners court may ~~[not restrict the reporting requirement to a limited part of each class of officers defined by this chapter but must require reporting by all persons included in that class of officers. However, the commissioners court may]~~ restrict the reporting requirement to a limited part of county employees if all employees with similar jobs are required to report.

Sec. 159.034 ~~[159.004]~~. FILING REQUIREMENT. (a) The commissioners court may require the report to be filed with the clerk of the commissioners court, the county auditor, or any other county officer. However, the commissioners court may require the report to be filed with the county clerk or other elected county officer only if the county clerk or elected county officer consents to the imposition of that duty. The commissioners court may contract with the secretary of state for the filing of reports under this subchapter ~~[chapter]~~.

(b) The commissioners court may not require records filed under this subchapter ~~[chapter]~~ to be maintained for more than one year and may require the authority with whom the records are filed to destroy the records after one year.

(c) A person required by order of the commissioners court to file a report under this subchapter ~~[chapter]~~ is considered to have complied with the order if the person files with the authority prescribed by the commissioners court a report that complies with the requirements of Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes).

Sec. 159.035 ~~[159.005]~~. CIVIL PENALTY. (a) If a report is determined to be late, the person responsible for filing the report is civilly liable to the county for \$100. The county attorney or criminal district attorney with civil jurisdiction may not initiate suit for the penalty until the 10th day after the date a notice concerning the late report is mailed to the person. If the report is filed and the penalty is paid before the 10th day after the date of the mailing, the authority with whom the report is filed shall notify the county attorney or criminal district attorney, and the civil suit under this section may not be initiated.

(b) A penalty paid under this section shall be deposited to the credit of the general fund of the county.

Sec. 159.036 ~~[159.006]~~. CRIMINAL PENALTY. (a) An ~~[officer, candidate, or]~~ employee required to file a report by an order adopted under this subchapter ~~[chapter]~~ commits an offense if the person knowingly fails to file the report as required by the order.

(b) An offense under this section is a Class B misdemeanor.

(c) It is a defense to prosecution under this section that the person has filed the required report and paid a civil penalty as provided by this subchapter ~~[chapter]~~.

SECTION 9.02. A person who is a county or district officer under Section 159.001, Local Government Code, as amended by this Act, or a candidate for a county or district office on the effective date of this Act is not required to file the financial statement required by Subchapter A, Chapter 159, Local Government Code, as added by this Act, until the first applicable financial statement filing deadline that falls after the effective date of this Act.

ARTICLE 10

SECTION 10.01. (a) This Act takes effect January 1, 1992, and applies only to a gift, contribution, expenditure, honorarium, compensation, reimbursement, benefit, or other thing of value offered, made, received, or accepted on or after that date.

(b) A gift, contribution, expenditure, honorarium, compensation, reimbursement, benefit, or other thing of value offered, made, received, or accepted before the effective date of this Act is governed by the law in effect on the date that

it was offered, made, received, or accepted, and that law is continued in effect for that purpose.

(c) Any unexpended and unobligated balance of the lobby registration fund is transferred to the general revenue fund.

SECTION 10.02. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Senator Glasgow moved that the Senate do not concur in the House amendments, but that a Conference Committee be appointed to adjust the differences between the two Houses on the bill.

The motion prevailed.

The President asked if there were any motions to instruct the Conference Committee on **S.B. 1** before appointment.

There were no motions offered.

The President announced the appointment of the following conferees on the part of the Senate on the bill: Senators Glasgow, Chair; Turner, Ratliff, Carriker, Moncrief.

GUESTS PRESENTED

Senator Lucio was recognized and introduced a group of students from Weslaco High School.

The Senate welcomed these guests.

SENATE BILL 148 WITH HOUSE AMENDMENTS

Senator Harris of Tarrant called **S.B. 148** from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Committee Amendment - P. Gallego

Amend **S.B. 148** as follows:

(1) In Section 1, strike proposed Section 481.131(e) and substitute the following new Subsection (e):

"(e) If it appears that a defendant or the state is prejudiced by a joinder of offenses, the court may order separate trials of the offenses or provide other relief as justice requires."

(2) In Section 1, in proposed Section 481.131(f), after the period, add the following:

"This section is not a limitation of Article 36.09 or 39.10, Code of Criminal Procedure."

Amendment - Grusendorf

Amend the committee amendment to **S.B. 148**, in Subdivision (2) of the amendment, by striking "**39.10**" and substituting "**36.10**".

The amendments were read.

On motion of Senator Harris of Tarrant and by unanimous consent, the Senate concurred in the House amendments to **S.B. 148** by a viva voce vote.

SENATE BILL 543 WITH HOUSE AMENDMENTS

Senator Henderson called S.B. 543 from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

Amendment - Oakley

Amend S.B. 543 as follows:

- (1) On page 5, line 4, strike "465.0082,".
- (2) On page 7, strike lines 3-8.

Amendment - Oakley

Amend S.B. 543 on page 8 by striking lines 5 and 6 and substituting the following:

"must comply with State Board of Insurance requirements relating to self-insurance."

Amendment - Conley

Amend S.B. 543 on page 2 by inserting the following on line 24 after the period:

In making appointments under this section, the governor shall attempt to appoint members of different minority groups including females, African-Americans, Hispanic-Americans, Native Americans, and Asian-Americans.

Amendment - Dutton

Amend S.B. 543 as follows:

- (1) On page 25, between lines 8 and 9, add new Sections 20, 21, and 22 to read as follows:

SECTION 20. Section 51.602, Education Code, is amended by amending Subdivision (5) to read as follows:

(5) "Institution of higher education" means a public institution of higher education as defined by Subdivision (8) of Section 61.003 of the Education Code or a private college or university that issues degrees in this state and is accredited by a recognized accrediting agency as defined by Section 61.003 of this code.

SECTION 21. Section 51.604, Education Code, is amended to read as follows:

Sec. 51.604. USE OF FUND. The commissioner shall allocate the fund to eligible nonprofit organizations for the purpose of:

- (1) establishing or operating educational programs to assist women or minority group members in preparing for or participating in programs leading to an undergraduate degree in engineering or science from an institution of higher education; ~~and~~

- (2) disseminating information concerning:

(A) educational and career opportunities in engineering and science; and

(B) the fund and programs funded under this subchapter; ~~and~~

- (3) establishing or operating programs to assist women and minority group members in preparing for careers in superconductivity research, including:

(A) recruitment seminars and mentorship programs, in cooperation with the Texas National Research Laboratory Commission and institutions of higher education that conduct superconductivity research;

(B) career exploration programs, in cooperation with public school districts; and

(C) career exploration programs, recruitment seminars, and mentorship programs, in cooperation with engineering and scientific research organizations.

SECTION 22. Sections 51.607(c) and (d), Education Code, are amended to read as follows:

(c) In addition, the committee members shall include:

(1) the presiding officer [chairman] of the House Higher Education Committee or the presiding officer's [chairman's] designee;

(2) a person appointed by the presiding officer [chairman] of the House Higher Education Committee;

(3) the presiding officer [chairman] of the Senate Education Committee or the presiding officer's [chairman's] designee; [and]

(4) a person appointed by the presiding officer [chairman] of the Senate Education Committee;

(5) the presiding officer of the House Science and Technology Committee; and

(6) a person appointed by the presiding officer of the House Science and Technology Committee.

(d) The presiding officer [chairman] of the House Higher Education Committee, [and] the presiding officer [chairman] of the Senate Education Committee, and the presiding officer of the House Science and Technology Committee serve as ex officio members of the committee. All other members serve terms of two years expiring on February 1 of each odd-numbered year. All appointed or designated committee members are eligible for reappointment or redesignation to consecutive terms.

(2) Renumber subsequent sections.

Amendment on Third Reading - Von Dohlen, Oakley

Amend S.B. 543 on third reading, Sec. 465.010 by deleting subsection (b) and inserting in lieu thereof the following:

(b) The insurance arrangements authorized by this section are not subject to any statute or rule inconsistent with this section or to the Insurance Code. Provided, however, should the federal government wholly fail to fund the coverage specified in subsection (a) of this section, the Texas National Research Laboratory Commission shall so advise the State Board of Insurance which shall take appropriate action.

Amendment on Third Reading - Von Dohlen, Oakley

Amend S.B. 543 on third reading as follows:

1. Add to Section 5, page 7, line 3 the following:

"Sec. 465.0082. PURCHASING RULES. The commission shall adopt rules to guide its purchases of supplies, materials, services and equipment to carry out eligible undertakings as defined by Section 465.021. The commission shall use as a guide, whenever consistent with the commission's purposes, the rules of the State Purchasing and General Services Commission."

2. On page 22, line 3, place a period after the word "rule" and strike the words "under sec. 465.0082, Government Code."

The amendments were read.

Senator Henderson moved to concur in the House amendments to S.B. 543.

On motion of Senator Henderson and by unanimous consent, the motion to concur was withdrawn.

SENATE BILL 80 WITH HOUSE AMENDMENT

Senator Whitmire called S.B. 80 from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.
Amendment - Goodman

Amend S.B. 80 by substituting the following:

A BILL TO BE ENTITLED AN ACT

relating to the extension, renewal, creation, or modification of or addition to restrictive covenants applicable to certain residential subdivisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 201.001(a) and (b), Property Code, are amended to read as follows:

(a) This chapter applies to a residential real estate subdivision that is ~~not subject to a comprehensive zoning ordinance and that is~~ located in whole or in part within a city ~~that has a population of more than 1,600,000, town, or village;~~ or within the extraterritorial jurisdiction of ~~such a city, town or village or in the unincorporated area of a county of 2,400,000 or more.~~

(b) The provisions of this chapter relating to extension of the term of, renewal of, or creation of restrictions do not apply to a subdivision if, by the express terms of the instrument creating existing restrictions, some or all of the restrictions affecting the real property within the subdivision provide:

(1) for automatic extensions of the term of the restrictions for an indefinite number of successive specified periods subject to a right of waiver or termination, in whole or in part, by a specified percentage of less than 50 75 percent plus one of the owners of real property interests in the subdivision, as set forth in the instrument creating the restrictions; or

(2) for an indefinite number of successive extensions of the term of the restrictions by written and filed agreement of a specified percentage of less than 50 75 percent plus one of the owners of real property interests in the subdivision, as authorized by the instrument creating the restrictions.

SECTION 2. Section 201.003(2), Property Code, is amended to read as follows:

(2) "Residential real estate subdivision" or subdivision" means:

(A) all land encompassed within one or more maps or plats of land that is divided into two or more parts if the maps or plats cover land within a city, town, or village, or within the extraterritorial jurisdiction of a city, town, or village and are recorded in the deed, map, or real property records of a county, and the land encompassed within the maps or plats is or was burdened by restrictions limiting all or at least a majority 75 percent of the land area covered by the map or plat, excluding streets and public areas, to residential use only; or

(B) all land located within a city, town, or village, or within the extraterritorial jurisdiction of a city, town, or village that has been divided into two or more parts and that is or was burdened by restrictions limiting at least a majority 75 percent of the land area burdened by restrictions, excluding streets and public areas, to residential use only, if the instrument or instruments creating the restrictions are recorded in the deed or real property records of a county.

SECTION 3. Section 201.004, Property Code, is amended to read as follows:

Sec. 201.004. EXTENSION, RENEWAL, CREATION, MODIFICATION OF, OR ADDITION TO, RESTRICTIONS. (a) A petition may be filed under this chapter to extend or renew an unexpired restriction, to create a restriction, or to add to or modify an existing restriction.

(b) A petition is not effective to extend, renew, create, add to, or modify a restriction unless the petition is filed with the county clerk's office in the county where the subdivision is located before the second anniversary of the date the committee files with the county clerk the notice required by Section 201.005(a).

(c) If a petition meeting the requirements of this chapter is filed with the county clerk within the required period, the provisions of the petition extending, renewing, creating, adding to, or modifying a restriction apply to and burden all of the property in the subdivision except property excluded under Section 201.009. If a petition contains provisions extending or renewing the term of a restriction, the petition may provide for an initial extension or renewal period of not more than 10 years and additional automatic extensions of the term for not more than 10 years each. The extension, renewal, creation, or modification of, or addition to, a restriction takes effect on the later of the dates the petition is filed with the county clerk or a date specified in the petition.

SECTION 4. Section 201.006(b), Property Code, is amended to read as follows:

(b) ~~The~~ If the notice required by Section 201.005(a) is filed after August 31, 1989, the petition may be filed not later than one year after the date on which the notice required by Section 201.005(a) is filed. Except as provided by Subsection (c), if the notice required by Section 201.005(a) is filed before September 1, 1989, the petition may be filed not later than August 31, 1989. In any event, the ~~The~~ petition must be signed and acknowledged by owners who own, in the aggregate:

(1) ~~a majority at least 75 percent of the total number of lots in the subdivision, in order to extend, renew, or create restrictions;~~

(2) ~~a majority at least 75 percent of the total number of separately owned parcels, tracts, or building sites in the subdivision, whether or not the parcels, tracts, or building sites contain part or all of one or more platted lots or combinations of lots, in order to extend, renew, or create restrictions; or~~

(3) ~~a majority at least 75 percent of the square footage within all of the lots in the subdivision, excluding any area dedicated or used exclusively for roadways or public purposes or by utilities, in order to extend, renew or create restrictions;~~

(4) ~~at least 75 percent of the total number of lots in the subdivision, in order to modify or add to existing restrictions;~~

(5) ~~at least 75 percent of the total number of separately owned parcels, tracts, or building sites in the subdivision, whether or not the parcels, tracts, or building sites contain part or all of one or more platted lots or combination of lots, in order to modify or add to existing restrictions; or~~

(6) ~~at least 75 percent of the square footage within all of the lots in the subdivision, excluding any area dedicated or used exclusively for roadways or public purposes or by utilities, in order to modify or add to existing restrictions.~~

SECTION 5. The changes in law made by this Act apply only to restrictive covenants affected by a petition that is filed on or after the effective date of this Act. Restrictive covenants affected by a petition that is filed before the effective date of this Act are governed by the law in effect on the date the petition was filed, and the prior law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 1991.

SECTION 7. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The amendment was read.

On motion of Senator Whitmire and by unanimous consent, the Senate concurred in the House amendment to S.B. 80 by a viva voce vote.

SENATE BILL 643 WITH HOUSE AMENDMENT

Senator Moncrief called S.B. 643 from the President's table for consideration of the House amendment to the bill.

The President laid the bill and the House amendment before the Senate.

Amendment - Mowery

Amend S.B. 643 by substituting the following:

A BILL TO BE ENTITLED AN ACT

relating to processing election results in an electronic voting system that does not entail counting the ballots at a central location.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter F, Chapter 127, Election Code, is amended by adding Section 127.157 to read as follows:

Sec. 127.157. PROCESSING IRREGULARLY MARKED BALLOTS. (a) This section applies only to a voting system that allows voters to deposit the ballots directly into a unit of automatic tabulating equipment.

(b) While the polls are open or as soon as practicable after the polls close, the counted ballots shall be removed from the ballot box and examined for irregularly marked ballots. The ballot box may not be opened for the purpose of examining the ballots unless there are at least 10 ballots in the box.

(c) If an election officer determines that two or more ballots were improperly tabulated because of irregular marks, the irregularly marked ballots shall be separated from the ballots that were marked properly, and all of the ballots shall be delivered to a central counting station.

(d) At the central counting station, the irregularly marked ballots shall be duplicated and the ballots shall be processed in accordance with Section 127.126. The duplicate ballots shall be automatically counted with the remainder of the ballots at the central counting station. The tabulation conducted at the central counting station is considered to be the official tabulation for those ballots.

(e) If only one ballot has been improperly tabulated because of an irregular mark, the ballot shall be placed in an envelope as prescribed by the secretary of state. The envelope must include the irregularly marked ballot and a form that identifies the nature and date of the election, ballot serial number, and applicable offices. The envelope shall be delivered to a central counting station. At the central counting station, the ballot shall be examined and adjustments shall be made to the totals certified by the election judge to indicate the intent of the voter. The election results for the affected precinct shall be manually entered into the election processing system, but the original election returns may not be altered. The envelope containing the ballot and form shall be placed in the ballot box with the regular voted ballots and shall be preserved with those ballots for the same period.

SECTION 2. This Act takes effect September 1, 1991.

SECTION 3. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

The amendment was read.

On motion of Senator Moncrief and by unanimous consent, the Senate concurred in the House amendment to S.B. 643 by a viva voce vote.

FLOOR PRIVILEGES GRANTED

On motion of Senator Harris of Dallas and by unanimous consent, Dave Freeman and Susie Thompson of the Texas Racing Commission were granted floor privileges during deliberations on H.B. 2263.

HOUSE BILL 2263 ON SECOND READING

On motion of Senator Harris of Dallas and by unanimous consent, the regular order of business and Senate Rule 7.14 were suspended to take up for consideration at this time on its second reading and passage to third reading:

H.B. 2263, Relating to the regulation and licensing of entities that operate facilities for greyhound racing or horse racing or for training greyhounds or horses for racing and to the amounts deducted from pari-mutuel pools in horse races; providing administrative and criminal penalties.

The bill was read second time.

Senator Harris of Dallas offered the following committee amendment to the bill:

Committee Amendment No. 1

Amend H.B. 2263 as follows:

- (1) On page 7, lines 2 and 5, strike "compensate" and substitute "employ".
- (2) On page 7, line 3, insert "who shall be the presiding steward" after the word "meeting".
- (3) On page 7, line 6, insert "who shall be the presiding judge" after the word "meeting".
- (4) On page 9, line 9, strike "licensee is responsible" and substitute "commission shall adopt rules to allocate responsibility".
- (5) On page 15, line 11, strike "minimum of 45" and substitute "number of days".
- (6) Strike lines 18 through 24 on page 21 and redesignate the following sections accordingly.
- (7) On page 25, lines 7, 8, and 9, insert the word "maximum" after the word "total".
- (8) On page 36, line 14, insert the words "live and simulcast" before the word "racing".
- (9) On page 37, line 7, add the following sentence: "Each Class 1 and Class 2 racetrack shall conduct charity race days in accordance with this section." after the sentence ending "racetrack."
- (10) On page 40, line 1, insert "The commission may commission as many investigators as the commission determines necessary to enforce this Act and the rules of the commission. Each investigator shall take the constitutional oath of office and file it with the commission. Each commissioned investigator has the powers of a peace officer, and shall make and execute a bond as required by the commission."
- (11) On page 46, line 18, insert the following sentence after the sentence ending with "commission." "In the event a sample tests positive for a drug, chemical, or

other substance, all samples, including the split portion, shall be maintained until the matter is finally adjudicated."

The committee amendment was read.

Senator Harris of Dallas offered the following amendment to Committee Amendment No. 1:

Floor Amendment No. 1

Amend Committee Amendment No. 1 to H.B. 2263 as follows:

1. Strike subdivision (5) of the amendment and substitute the following:

(5) On page 15, line 11 (Committee Printing page 10, line 22) strike "minimum of 45" and substitute "number of".

2. Strike subdivision (8) of the amendment and substitute the following:

(8) On page 36, line 14, (Committee Printing page 18, line 33) insert "live and simulcast" before each reference to "racing".

The amendment was read and was adopted by a viva voce vote.

Question recurring on the adoption of Committee Amendment No. 1 as amended, the committee amendment as amended was adopted by a viva voce vote.

Senator Harris of Dallas offered the following committee amendment to the bill:

Committee Amendment No. 2

Amend H.B. 2263 as follows:

(1) On page 41, line 25, strike "A person who violates this section commits an offense. An offense under this section is a Class C misdemeanor."

(2) Strike Section 46 in its entirety and substitute in lieu thereof the following:

SECTION 46. Section 11.06, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 11.06. MINORS. (a) The commission shall adopt rules to prevent wagering by persons who have not yet attained the minimum age required to purchase alcoholic beverages in this state and to prevent a person under 16 years of age from entering the viewing section of a racetrack unless accompanied by the person's parent or guardian. A person who intentionally, knowingly, recklessly, or with criminal negligence violates a rule adopted under this section commits an offense. An offense under this section is a Class B misdemeanor.

(b) A person commits an offense if the person intentionally or knowingly engages in gaming at a racetrack when the person has not yet attained the minimum age required to purchase alcoholic beverages in this state. An offense under this subsection is a Class C misdemeanor.

The committee amendment was read and was adopted by a viva voce vote.

Senator Harris of Dallas offered the following committee amendment to the bill:

Committee Amendment No. 3

Amend H.B. 2263 as follows:

(1) On page 27, line 13, insert the following new subdivision (h) and redesignate the following paragraphs accordingly:

“(h) Two percent of the breakage shall be allocated to the equine research account under Subchapter F, Chapter 51, Education Code. The remaining 98 percent of the breakage shall constitute “total breakage” and shall be allocated pursuant to subsections (i) and (j) of this section.”

(2) On page 28, line 4, strike the word “races” and substitute the word “horses”.

(3) On page 29, lines 2 and 3, strike the words “a nonprofit” and substitute the word “an”.

(4) On page 38, line 3, strike the words “or cancel”.

(5) On page 38, line 6, strike the word “maiden”.

(6) On page 38, line 7, insert the word “twice” after the word “to”.

(7) On page 41, line 10, strike “or” and substitute “and”.

(8) On page 41, line 12, insert “live or simulcast” before the word “race”.

(9) On page 61, line 10, insert “(a)-(g)” after “Section 25”.

(10) On page 61, line 13, insert “(a)-(g)” after “Section 25”.

The committee amendment was read.

On motion of Senator Harris of Dallas and by unanimous consent, Committee Amendment No. 3 was temporarily withdrawn.

Senator Harris of Dallas offered the following committee amendment to the bill:

Committee Amendment No. 4

Amend H.B. 2263 as follows:

(1) On page 16, line 15, strike “Sections 12.01 and 12.02 [Article 12]” and substitute “Article 12”.

(2) Strike lines 20 through 24 on page 16, and redesignate the following paragraphs accordingly.

(3) On page 21, lines 11-12, strike “, and \$1,500 for a Class 4 racetrack”.

(4) Strike Section 22 of the bill in its entirety.

(5) Strike lines 12 through 27 on page 44 in their entirety.

(6) On page 45, strike lines 1 through 7.

The committee amendment was read and was adopted by a viva voce vote.

Senator Harris of Dallas offered the following committee amendment to the bill:

Committee Amendment No. 5

Amend H.B. 2263 as follows:

(1) SECTION ____ Section 2.15 of the Texas Racing Act, (Article 179e, Vernon’s Texas Civil Statutes), is amended to read as follows:

Sec. 2.15. RECORDS. All records of the commission that are not made confidential by other law are open to inspection by the public during regular office hours. All applications for a license under this Act shall be maintained by the commission and shall be available for public inspection during regular office hours. The contents of the investigatory files of the commission, however, are not public

records and are confidential except in a criminal proceeding, [or] in a hearing conducted by the commission, on court order, or with the consent of the party being investigated.

(2) On page 4, line 23, strike "The" and substitute the following:

"Except as otherwise provided by this Act, the".

(3) On page 5, line 14, strike "a record of a final conviction".

(4) On page 14, line 18, insert "by the commission from any law enforcement agency that requires the information to be kept confidential as a condition of release of the information" after the word "section".

(5) On page 14, line 19, strike "The" and substitute "Such".

(6) On page 14, line 21, insert "in a criminal proceeding, in a hearing conducted by the commission," after the word "except".

(7) On page 14, line 22, strike "regarding a record of a final conviction".

The committee amendment was read and was adopted by a viva voce vote.

Senator Harris of Tarrant offered the following committee amendment to the bill:

Committee Amendment No. 7

Amend H.B. 2263 as follows:

(1) Strike Subdivisions (61) through (64) in Section 1 of the bill and substitute the following, and add Subdivision (66) to read as follows:

(61) "Simulcast" means the telecast or other transmission of live audio and visual signals of a race, transmitted from a sending track to a receiving location, for the purpose of wagering conducted on the race at the receiving location

(62) "Live pari-mutuel pool" means the total amount of money wagered by patrons on the result of a particular live race or combination of live races within the enclosure of the racetrack association where the race is being run.

(63) "Simulcast pari-mutuel pool" means the total amount of money wagered by patrons at a licensed racetrack association in Texas on the result of a particular simulcast race or combination of simulcast races.

(64) "Receiving location" means a licensed racetrack association in this state that has been allocated live and simulcast race dates or a facility not located in this state that is authorized to conduct wagering under the law of the jurisdiction in which it is located.

(66) "Sending horse track" means any licensed track for horse racing in this state or out-of-state from which a horse race is transmitted.

(2) Strike Section 44 in its entirety and substitute the following:

SECTION 44. Article 11, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes), is amended by adding Section 11.011 to read as follows:

Sec. 11.011. SIMULCAST RACES. (a) The commission shall adopt rules to license and regulate pari-mutuel wagering on:

(1) racetrack associations in this state and simulcast to licensed racetrack associations in this state or to out-of-state receiving locations; and

(2) racetrack associations in this state.

(b) With approval of the commission, wagers accepted on a simulcast race by any out-of-state receiving location may be included in the pari-mutuel pool for the race at the sending racetrack association in this state.

difference between the fees and charges previously paid and the fees and charges for the upgraded facility classification.

The committee amendment was read.

Senator Harris of Tarrant offered the following substitute amendment for Committee Amendment No. 11:

Floor Amendment No. 4

Amend H.B. 2263 as follows:

Substitute the following for Committee Amendment No. 11 to H.B. 2263:

SECTION ____ Section 6.03, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) is amended by adding Subdivision (i) to read as follows:
“(i) Notwithstanding this section, if a licensed track petitions for an upgrade in the classification of the track, the fees and charges imposed shall be the difference between the fees and charges previously paid and the fees and charges for the upgraded facility classification.”

The substitute amendment was read and was adopted by a viva voce vote.

Question recurring on the adoption of Committee Amendment No. 11 as substituted, the committee amendment as substituted was adopted by a viva voce vote.

Senator Harris of Dallas offered the following committee amendment to the bill:

Committee Amendment No. 12

Amend H.B. 2263 to read as follows:

Page 21, line 21, change (h) to read as follows:

(h) In considering an application for a horse racetrack license under this section, the commission shall give additional weight [preference] to an applicant who has experience operating a racetrack licensed under this Act.

The committee amendment was read.

Senator Harris of Tarrant offered the following substitute amendment for Committee Amendment No. 12:

Floor Amendment No. 5

Amend H.B. 2263 as follows:

Substitute the following for Committee Amendment No. 12 to H.B. 2263:

SECTION ____ Section 6.03, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) is amended by adding Subdivision (h) to read as follows:

“(h) In considering an application for a horse racetrack license under this section, the commission shall give additional weight to evidence concerning an applicant who has experience operating a horse racetrack licensed under this Act.”

The substitute amendment was read.

Question—Shall Floor Amendment No. 5 be adopted?

SENATE CONCURRENT RESOLUTION 144

Senator Carriker offered the following resolution:

S.C.R. 144, Requesting the governor to return S.B. 764 to the Senate for further consideration.

The resolution was read.

On motion of Senator Carriker and by unanimous consent, the resolution was considered immediately and was adopted by a viva voce vote.

MESSAGE FROM THE HOUSE

House Chamber
May 18, 1991

HONORABLE BOB BULLOCK
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.B. 2787, Relating to the creation of the County Court at Law No. 2 of Johnson County.

H.B. 2858, Relating to the boundaries of the El Paso County Water Control and Improvement District-Westway.

H.B. 413, Relating to the forensic analysis of evidence in criminal matters.

H.B. 1114, Relating to a bank's examination fees.

H.B. 283, Relating to raffles conducted under the Charitable Raffle Enabling Act.

H.B. 615, Relating to the inclusion of the services of certain licensed hearing aid fitters and dispensers in health insurance coverage.

H.B. 1682, Relating to training programs for persons employed in the food service industry.

H.B. 1632, Relating to rights and remedies under The Securities Act.

H.B. 2665, Relating to filing of lawsuits by and against the Texas Low-Level Radioactive Waste Disposal Authority and the selection of and submittal of a license application for a disposal site by the Texas Low-Level Radioactive Waste Disposal Authority and the review of the application by the Texas Department of Health.

H.B. 1447, Relating to the collection of fees on conviction of certain offenses involving the dishonor of a check.

H.B. 1819, Relating to the Hazard Communication Act; providing for the collection of fees; and providing administrative, civil, and criminal penalties.

H.B. 1532, Relating to the regulation of credit unions.

H.B. 1548, Relating to the procedure for expunction.

H.B. 1363, Relating to the authority of certain local telephone exchange companies to use certain property presumed to be abandoned to fund college scholarships for rural students.

H.B. 1314, Relating to grade level retention of public school students.

H.B. 544, Relating to exempting electric mobility vehicles from certain motor vehicle regulations.

H.B. 2496, Relating to the regulation of long-term care insurance.

H.B. 2569, Relating to an exemption from appeal bond requirements for school districts.

H.B. 2811, Relating to regulating boat or outboard motor manufacturers, distributors, and dealers.

H.B. 1718, Relating to funds paid into court registries in certain counties.

H.B. 222, Relating to reports of timeshare expenses charged and collected by managing entities of timeshare properties; providing a civil penalty.

H.B. 2019, Amending Section 142.0017 (i) of the Local Government Code to allow employees to agree to flexible working schedules.

H.B. 2863, Relating to the authority of the Rankin County Hospital District relating to purchases and construction contracts.

H.B. 2378, Relating to exclusion of certain information in driver's license records.

H.B. 2804, Relating to the creation of a county civil service system in certain counties.

H.B. 2783, Relating to designating Farm-to-Market Road 390 as a scenic highway.

H.B. 2059, Relating to restraining a parent from absconding with a child who is alleged to have been abused.

H.B. 1621, Relating to tests for lead poisoning conducted by the Texas Department of Health.

H.B. 1889, Relating to the determinations necessary before withholding or withdrawing life-sustaining procedures under the Natural Death Act.

H.B. 2782, Relating to the creation and administration of the Colorado-Fayette Hospital District.

H.B. 2882, Relating to the authority of the Texas Board of Criminal Justice to manage inmate population at the institutional division during emergency overcrowding situations.

H.B. 2855, Relating to the authority of the Caprock Hospital District to borrow money.

H.B. 2870, Relating to the terms of directors of the Seis Lagos Utility District.

S.B. 52, Relating to jury service; providing a penalty. (As substituted)

S.B. 582, Relating to a center for the support of a comprehensive database network to further the state's goal of economic diversification; authorizing appropriations. (As substituted)

S.B. 1053, Relating to the prevention and remediation of coastal erosion, to the protection and enhancement of the public's common law rights of access to and use of public beaches, and to the preservation of sand dunes for storm protection and conservation purposes. (As amended)

S.B. 382, Relating to the continuation and functions of the State Aircraft Pooling Board. (As amended)

S.B. 544, Relating to the continuation and operation of the Texas Board of Irrigators; providing penalties. (As amended)

S.B. 553, Relating to the authorization of a low-level radioactive waste compact between Texas and other states. (As substituted)

S.B. 4, Relating to the prosecution of and punishment for certain criminal offenses involving theft, misapplication of fiduciary or other property, tampering with or fabricating physical evidence, bribery and corrupt influence, tampering with a governmental record, or violations of state insurance law. (As amended)

S.B. 1193, Relating to the dedication of certain Texas water development bonds.

S.B. 1189, Relating to the provision and local regulation of water supply and sewer services in economically distressed areas. (As amended)

S.B. 774, Relating to the practice of optometry. (As substituted)

S.B. 583, Relating to the Role of the Family in Reducing Recidivism Advisory Committee to the institutional division of the Texas Department of Criminal Justice and the Texas Youth Commission, and to the duties of that committee.

S.B. 1054, Relating to the protection and enhancement of state-owned coastal wetlands.

S.B. 314, Relating to the penalty groups of controlled substances, offenses, and civil penalties under the Texas Controlled Substances Act. (As substituted and amended)

S.B. 42, Relating to the peer assistance and leadership system.

S.B. 85, Relating to the fees paid to commissioners and surveyors partitioning real property and to costs of court in partition actions. (As substituted)

S.B. 408, Relating to certain officers of the court appearing and pleading in certain courts.

S.B. 410, Relating to the administration of county jails. (As amended)

S.B. 542, Relating to statutory probate courts.

S.B. 573, Relating to awarding the Texas Desert Shield/Desert Storm Campaign Medal to certain members of the Texas National Guard.

S.B. 679, Relating to the authorization of investments in certain development corporation securities and development bank securities by certain private and governmental investors and certain public retirement systems.

S.B. 737, Relating to the establishment of, participation and credit in, and benefits and administration of, a retirement system for employees of certain municipalities. (As amended)

S.B. 738, Relating to the establishment of, participation and credit in, and benefits and administration of, a retirement system for police officers in certain municipalities.

S.B. 798, Relating to the authority of certain political entities to establish, finance, and administer a public retirement system. (As amended)

S.B. 934, Relating to promotional eligibility lists under the municipal civil service law in certain cities.

S.B. 942, Relating to the applicability of the Texas Motor Vehicle Safety-Responsibility Act and driver's license suspensions under that Act. (As substituted)

S.B. 944, Relating to highways over which vehicles that exceed axle weight limits may operate.

S.B. 1050, Relating to The University of Texas—Pan American—Brownsville.

S.B. 1057, Relating to the terms served by the appointed members of the board of directors of the Texas Agricultural Finance Authority.

S.B. 1149, Relating to fees relating to an application for a protective order against family violence.

S.B. 1220, Relating to the recovery of oyster shell from and replacement of oyster shell to the coastal waters of the state.

S.B. 1424, Relating to the sale or exchange of land between the Parks and Wildlife Department and municipalities.

S.B. 1445, Relating to student fees for bus service at Southwest Texas State University. (As amended)

S.J.R. 15, Proposing a constitutional amendment to authorize the exemption from ad valorem taxation of property owned by a nonprofit water supply or wastewater service corporation.

S.J.R. 34, Proposing a constitutional amendment to increase the amount of bonds that may be issued for economically distressed areas under existing bond authorization.

S.B. 1234, Relating to certain absentee voting processes and procedures. (As substituted and amended)

The House has granted the request of the Senate for the appointment of a Conference Committee on **S.B. 460**: Hernandez, Chair; Yarbrough, Pierce, Carona, Bailey.

The House has refused to concur in Senate amendments to **H.B. 2395** and has requested the appointment of a Conference Committee to consider the differences between the two Houses. The following have been appointed on the part of the House: Hirschi, Chair; Mowery, Grusendorf, Linebarger, Danburg.

The House has concurred in Senate amendments to **H.B. 54** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 548** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 651** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 817** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 925** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 1458** by a non-record vote.

The House has concurred in Senate amendments to **H.B. 531** by vote of 137 Ayes, 0 Noes.

The House has concurred in Senate amendments to **H.B. 989** by vote of 134 Ayes, 0 Noes.

The House has concurred in Senate amendments to **H.B. 1219** by vote of 137 Ayes, 0 Noes.

The House has concurred in Senate amendments to H.B. 2102 by vote of 137 Ayes, 0 Noes.

Respectfully submitted,
BETTY MURRAY, Chief Clerk
House of Representatives

AT EASE

The President announced at 10:49 a.m. that the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

The President at 10:59 a.m. called the Senate to order as In Legislative Session.

HOUSE BILL 2263 ON SECOND READING

The Senate resumed consideration of H.B. 2263.

Question—Shall Floor Amendment No. 5 be adopted?

Floor Amendment No. 5 was adopted by a viva voce vote.

Question recurring on adoption of Committee Amendment No. 12 as substituted, the committee amendment as substituted was adopted by a viva voce vote.

Senator Barrientos offered the following amendment to the bill:

Floor Amendment No. 6

Amend H.B. 2263 as follows:

(1) SECTION _____. Section 2.10, Texas Racing Act, is amended to read as follows:

Sec. 2.10. CHAIRMAN. The governor shall designate one member of the commission as chairman [members] of the commission [shall elect one of the members chairman] to serve [a term of two years] in that capacity at the pleasure of the governor.

The amendment was read and was adopted by a viva voce vote.

Senator Ellis offered the following amendment to the bill:

Floor Amendment No. 7

Amend H.B. 2263 as follows:

On page 12, line 41, insert the following sentence:

"In reviewing and approving contracts under this subsection, the commission shall attempt to ensure the involvement of minority owned businesses whenever possible." after the sentence ending on line 8.

The amendment was read and was adopted by a viva voce vote.

Senator Henderson offered the following amendment to the bill:

Floor Amendment No. 8

Amend H.B. 2263 on page 15, line 60 and 61 by striking "20 percent of the total deposits in pools resulting from all other wagering." and substituting in lieu thereof the following:

21 percent of the total deposits in pools resulting from multiple two wagering and an amount not to exceed 25 percent of the total deposits in pools resulting from multiple three wagering.

The amendment was read.

Senator Dickson moved to table the amendment.

The motion to table was lost by the following vote: Yeas 3, Nays 26.

Yeas: Dickson, Lyon, Rosson.

Nays: Armbrister, Barrientos, Bivins, Brooks, Brown, Carriker, Ellis, Glasgow, Green, Haley, Harris of Tarrant, Harris of Dallas, Henderson, Johnson, Krier, Leedom, Lucio, Moncrief, Parker, Ratliff, Sibley, Sims, Tejeda, Truan, Whitmire, Zaffirini.

Absent: Turner.

Absent-excused: Montford.

Question recurring on the adoption of Floor Amendment No. 8, the amendment was adopted by a viva voce vote.

Senator Zaffirini offered the following amendment to the bill:

Floor Amendment No. 9

Amend H.B. 2263 as follows:

SECTION 32. Amend Section 6.17(a), Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) to read as follows:

(a) A commissioners court may collect a fee not to exceed 15 cents as an admission fee to a licensed racetrack located within the county. If the racetrack is located within an incorporated city or town, the governing body of the city or town may collect a fee not to exceed 15 cents as an admission fee to a licensed racetrack located within the city or town. If the racetrack is not located within an incorporated city or town, the (The) court may collect an additional fee not to exceed 15 cents as an admission fee to a licensed racetrack located within the county for allocation among the incorporated cities or towns in the county. If the race track is not located in an incorporated city or town, the (The) court shall collect the additional fee if requested to do so by the governor bodies of a majority of the incorporated cities and towns in the county. Allocation of the fees shall be based on the population within the county of the cities or towns.

The amendment was read and was adopted by a viva voce vote.

Senator Dickson offered the following amendment to the bill:

Floor Amendment No. 10

Amend H.B. 2263 as follows:

1. On page 13, strike "unless the interest held" on line 26.
2. On page 13, strike line 27.
3. On page 14, strike all underlined words on lines 1-2.
4. On page 17, strike "unless the corporation is a publicly traded corporation, in which case, the names and addresses of stockholders owning five percent or more of the stock of the corporation," on lines 25-27.

5. On page 19, strike "unless the corporation is a publicly traded corporation, in which case, the names and addresses of stockholders owning five percent or more of the stock of the corporation, on lines 20-22."

6. On page 31, strike "unless the association is a publicly traded corporation, in which case, the names and addresses of stockholders owning five percent or more of the stock of the corporation, on lines 20-22 and substitute "members and owners of any interest in the racetrack facility" after the word "stockholders" on line 20."

7. On page 31, strike "Except for a transfer of stock in a publicly traded" on line 27."

8. On page 32, strike lines 1-2.

9. On page 32, strike "transaction each" on line 3 and substitute "Each".

The amendment was read and was adopted by a viva voce vote.

SENATOR ANNOUNCED PRESENT

Senator Montford, who had previously been recorded as "Absent-excused," was announced "Present."

Senator Leedom offered the following amendment to the bill:

Floor Amendment No. 11

Amend H.B. 2263 by:

(1) deleting Subsection (b) of SECTION 67 and relettering the remaining subsections accordingly; and

(2) adding a new SECTION 67 to read as follows and renumbering the remaining SECTION accordingly.

SECTION 67. ARTICLE 17, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) is amended to read as follows:

ARTICLE 17. STATEWIDE REFERENDUM

Sec. 17.01. REFERENDUM [(a)] At the general election for state and county officers to be held November 5, 1991 [4, 1986], the voters shall be permitted to vote in a referendum on the question of whether the state should reduce the amounts deducted from pari-mutuel pools in horse races [legalize pari-mutuel wagering] under the Texas Racing Act [on a county by county local option basis:

(b) If this article does not take effect prior to 90 days after the adjournment of the 2nd Called Session of the 69th Legislature, i.e., not having received sufficient votes pursuant to Article III, Section 39, of the Constitution of the State of Texas; and the proposition is not on the ballot November 4, 1986, then the question shall be voted on at the election to be held November 3, 1987.]

17.02 BALLOT PROPOSITION. The ballot shall be printed to provide for voting for or against the proposition: "The legalization of reducing the amounts deducted from pari-mutuel pools under the Texas Racing Act [pari-mutuel wagering under the Texas Racing Act on a county by county basis]."

Sec. 17.03. FORM OF BALLOT. The proposition shall be printed on the ballot beneath the proposed constitutional amendments under the heading: "Referendum Proposition."

17.04 ELECTION PROCEDURE. (a) Notice of the election shall be given by inclusion of the proposition in the proclamation by the governor ordering the election on the proposed amendments to the state constitution and in the notice of that election given by each county judge.

(b) Returns of the votes cast on the proposition shall be prepared and canvassed in the same manner as the returns on the proposed constitutional amendments.

(c) Immediately after the results of the election are certified by the state board of canvassers, the secretary of state shall transmit a copy of the certification to the lieutenant governor and speaker of the house of representatives.

17.05. EFFECT OF ELECTION. The reduction of amounts deducted from pari-mutuel wagering pools under the Texas Racing Act as proposed by Section 25 of this Act [Pari-mutuel wagering] shall not [be conducted under this Act] become effective if a majority of the votes cast in the referendum under this article are against the proposition.

17.06. CONSTRUCTION OF ACT. (a) Except as provided in Subsection (b) of this section, the rule of construction stated in Section 311.032, Code Construction Act (Chapter 311, Government Code), applies to the construction of this Act.

(b) If a majority of the votes cast in the referendum oppose the proposition and subsequently the portion of this article requiring a referendum is held invalid by a final judgment of a court of competent jurisdiction, Section 25 of as proposed by this Act expires on the date on which the judgment of the court became final.

(c) It is the legislature's strong intention that, though the legislature has rarely[; if ever,] conducted a referendum on matters of statewide importance, the will of the people should be honored and take precedence over any prior constitutional rule of law given the nature of this particular issue in our state.

The amendment was read.

On motion of Senator Harris of Dallas, the amendment was tabled by the following vote: Yeas 24, Nays 6.

Yeas: Armbrister, Barrientos, Bivins, Brooks, Carriker, Dickson, Ellis, Haley, Harris of Tarrant, Harris of Dallas, Henderson, Johnson, Krier, Lucio, Lyon, Moncrief, Montford, Parker, Rosson, Sims, Tejeda, Truan, Whitmire, Zaffirini.

Nays: Brown, Glasgow, Green, Leedom, Ratliff, Sibley.

Absent: Turner.

Question—Shall the bill be passed to third reading?

GUESTS PRESENTED

Senator Brown was recognized and introduced Allen Clark, affiliated with the Veterans Administration, and his wife, Jackie, who are visiting from Washington, D.C.

The Senate welcomed Mr. and Mrs. Clark.

GUESTS PRESENTED

Senator Truan was recognized and introduced a group of eighth grade students from West Oso Junior High "Citizenship Excellence" program and their teacher, Danny Noyola.

The Senate welcomed these guests.

AT EASE

The President announced at 11:38 a.m. that the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

The President at 11:48 a.m. called the Senate to order as In Legislative Session.

HOUSE BILL 2263 ON SECOND READING

The Senate resumed consideration of **H.B. 2263**.

Question—Shall the bill be passed to third reading?

Senator Harris of Dallas again offered the following committee amendment to the bill:

Committee Amendment No. 3

Amend **H.B. 2263** as follows:

(1) On page 27, line 13, insert the following new subdivision (h) and redesignate the following paragraphs accordingly:

“(h) Two percent of the breakage shall be allocated to the equine research account under Subchapter F, Chapter 51, Education Code. The remaining 98 percent of the breakage shall constitute “total breakage” and shall be allocated pursuant to subsections (i) and (j) of this section.”

(2) On page 28, line 4, strike the word “races” and substitute the word “horses”.

(3) On page 29, lines 2 and 3, strike the words “a nonprofit” and substitute the word “an”.

(4) On page 38, line 3, strike the words “or cancel”.

(5) On page 38, line 6, strike the word “maiden”.

(6) On page 38, line 7, insert the word “twice” after the word “to”.

(7) On page 41, line 10, strike “or” and substitute “and”.

(8) On page 41, line 12, insert “live or simulcast” before the word “race”.

(9) On page 61, line 10, insert “(a)-(g)” after “Section 25”.

(10) On page 61, line 13, insert “(a)-(g)” after “Section 25”.

The committee amendment was read and was adopted by a viva voce vote.

Senator Leedom offered the following amendment to the bill:

Floor Amendment No. 12

Amend **H.B. 2263**, as amended, in SECTION 25 by striking the proposed Section 6.08(i), Texas Racing Act (Article 1793, Vernon's Texas Civil Statutes) and inserting in lieu thereof the following:

(i) [(c)] Ten percent of the breakage is to be paid to the commission for the administration and promotion of this Act [appropriate state horse breed registry; five percent to be used for reimbursement of administrative costs incurred in making distribution under this section and five percent to be used to participate in an organization whose purpose is to promote interest in horse racing and to encourage research, promotion, discussion, and interchange of ideas, information, and methods relating to the racing, breeding, and marketing of racehorses in Texas and elsewhere].

The amendment was read.

On motion of Senator Harris of Dallas, the amendment was tabled by the following vote: Yeas 20, Nays 11.

Yeas: Armbrister, Barrientos, Bivins, Dickson, Ellis, Glasgow, Haley, Harris of Tarrant, Harris of Dallas, Johnson, Krier, Moncrief, Parker, Rosson, Sims, Tejeda, Truan, Turner, Whitmire, Zaffirini.

Nays: Brooks, Brown, Carriker, Green, Henderson, Leedom, Lucio, Lyon, Montford, Ratliff, Sibley.

Senator Harris of Dallas offered the following amendment to the bill:

Floor Amendment No. 13

Amend H.B. 2263 as follows:

1. On page 5, line 14 (Committee Printing page 6, line 34), strike "regarding".
2. On page 41, line 10 (Committee Printing page 20, line 24), strike "a" and substitute "both" after the word "where".
3. On page 41, line 11 (Committee Printing page 20, line 25), strike "meeting is" and substitute "meetings are".

The amendment was read and was adopted by a viva voce vote.

Question—Shall the bill be passed to third reading?

MESSAGE FROM THE HOUSE

House Chamber
May 18, 1991

HONORABLE BOB BULLOCK
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

The House has granted the request of the Senate for the appointment of a Conference Committee on S.B. 1: Laney, Chair; Wolens, Crawford, Hury, Seidlits.

H.B. 2840, Relating to the residence of the superintendent of the Texas School for the Blind and Visually Impaired.

H.B. 2866, Relating to the composition of the juvenile board of Medina County.

H.B. 2330, Relating to the Board of Directors, powers, and duties of the South Limestone Hospital District of Limestone County, Texas.

H.B. 1816, Relating to a peace officer commissioned by a school district or an institution of higher education.

H.B. 2638, Relating to the governing body of a housing authority.

H.B. 1376, Relating to exemptions from regular registration fees and from inspection for vehicles used to transport log loaders.

H.B. 2085, Relating to consent for medical treatment by surrogate decision-makers on behalf of incompetent or comatose patients.

H.B. 2769, Relating to bailiffs for certain courts.

H.B. 2138, Relating to salary payments to county employees who are called to active military duty.

H.B. 2265, Relating to the filing of articles of dissolution by a corporation.

H.B. 2003, Amending the municipal civil service act to allow assignment pay for career patrol officers to be part of their base pay.

H.B. 2111, Relating to the transfer of the fund balances of certain occupational regulatory agencies.

H.B. 201, Relating to hearings conducted by appraisal review boards on taxpayer protests.

H.B. 1143, Relating to vacancies on boards of trustees of school districts.

H.B. 618, Relating to the distribution by the comptroller of certain tax revenue collected by certain metropolitan rapid transit authorities.

H.B. 341, Relating to the election, from single-member districts, of the governing body of a municipality with a population of 1.5 million or more.

H.B. 1175, Relating to restrictions on the sale or purchase of certain metal products by secondhand metal dealers.

H.B. 799, Relating to disadvantaged businesses owned by minorities or women in relation to state purchasing and public works contracts; providing a criminal penalty.

H.B. 455, Relating to railroad crossing safety information regarding railroad intersections in municipalities.

H.B. 546, Relating to certain employer security requirements to ensure payment of wages.

H.B. 2732, Relating to cooperation between the Department of Public Safety and local law enforcement officers to prevent motor vehicle theft.

H.B. 2275, Relating to indoor air quality; providing a civil penalty.

H.B. 358, Relating to persons who may bring an original suit affecting the parent-child relationship.

H.B. 1436, Relating to the microfilming of local government records by the Texas State Library and Archives Commission.

H.B. 2502, Relating to the right of county officials and employees to voluntarily designate a portion of their earned income to pay premiums on individually owned insurance policies, and providing authority for payroll deductions by the county payroll officer.

H.B. 843, Relating to the disclosure of health care information by a hospital.

H.B. 2140, Relating to the commissioning as peace officers of certain investigators appointed by the attorney general.

H.B. 1599, Relating to the location at which a municipality must post notice of its meetings.

H.B. 1890, Relating to the certification of persons as advocates for victims of sexual assault.

H.B. 625, Relating to the appointment of bailiffs by certain judges.

H.B. 1037, Relating to inspections required for certain windstorm and hail insurance coverage.

Respectfully submitted,

BETTY MURRAY, Chief Clerk
House of Representatives

AT EASE

The President at 12:19 p.m. announced the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

The President at 12:21 p.m. called the Senate to order as In Legislative Session.

HOUSE BILL 2263 ON SECOND READING

The Senate resumed consideration of H.B. 2263.

Question—Shall the bill be passed to third reading?

Senator Sims offered the following amendment to the bill:

Floor Amendment No. 14

Amend H.B. 2263 as follows:

(1) Strike Section 69 in its entirety and substitute the following:

“SECTION 69. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.”

(2) Strike Section 70 in its entirety.

The amendment was read and was adopted by a viva voce vote.

On motion of Senator Harris of Dallas and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading by a viva voce vote.

RECORD OF VOTE

Senator Sibley asked to be recorded as voting “Nay” on the passage of the bill to third reading.

HOUSE BILL 2263 ON THIRD READING

Senator Harris of Dallas moved that the Constitutional Rule and Senate Rule 7.20 requiring bills to be read on three several days be suspended and that H.B. 2263 be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 27, Nays 4.

Yeas: Armbrister, Barrientos, Bivins, Brooks, Brown, Carriker, Dickson, Ellis, Glasgow, Haley, Harris of Tarrant, Harris of Dallas, Henderson, Johnson, Krier, Lucio, Lyon, Moncrief, Montford, Parker, Rosson, Sims, Tejeda, Truan, Turner, Whitmire, Zaffirini.

Nays: Green, Leedom, Ratliff, Sibley.

The bill was read third time.

Senator Sims offered the following amendment to the bill:

Floor Amendment No. 15

Amend H.B. 2263 as follows:

1. SECTION _____. Section 6.02, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) is amended by adding subsection (f) to read as follows:

(f) A class 4 racetrack is a racetrack operated by a county fair under Section 12.03 of this Act. An association that holds a class 4 racetrack license may conduct live races for a number of days not to exceed five days in a calendar year on dates selected by the association and approved by the commission.

2. On page 21, line 11 (Committee Printing page 12, line 44), insert “, and \$1,500 for a class 4 racetrack” after the word “racetrack”.

3. SECTION _____. Article 12, Texas Racing Act (Article 179e, Vernon's Texas Civil Statutes) is amended by adding Section 12.03 to read as follows:

Sec. 12.03. COUNTY FAIRS. (a) A county that holds a class 4 racetrack license may conduct an annual race meeting not to exceed five racing days in connection with a livestock show or exhibition held under Chapter 319, Local Government Code. A race meeting must be conducted on a day when general fair activities are conducted.

(b) A county that holds a class 4 racetrack license may contract with an agent to conduct any portion of a race meeting. An agent must hold a license issued under this Act that is appropriate for the service the agent provides.

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

Question—Shall the bill be finally passed?

PERMISSION TO MEET

Senator Glasgow asked unanimous consent for the Subcommittee on Elections and Ethics to meet while the Senate was in session.

There was objection.

(Senator Brown occupied the Chair during discussion of the bill)

(Senator Haley in Chair)

(Senator Green in Chair)

(Senator Rosson in Chair)

(Senator Sims in Chair)

(President Pro Tempore Glasgow in Chair)

HOUSE BILL 2263 ON THIRD READING

The Senate resumed consideration of H.B. 2263 on third reading and final passage.

Question—Shall the bill be finally passed?

Senator Brooks offered the following amendment to the bill:

Floor Amendment No. 16

Amend H.B. 2263, as amended, in SECTION 25 by striking the first sentence of 6.08(i), Texas Racing Act (Article 1793, Vernon's Texas Civil Statutes), and substituting in lieu thereof the following sentence:

(i) [(c)] Ten percent of the total breakage from a live pari-mutuel pool or a simulcast pari-mutuel pool is to be paid to the commission for use by the appropriate state horse breed registry, subject to rules promulgated by the commission.

Amend The Texas Racing Act Section 6.09, Subsection (d), to read as follows:

(d) Fifty percent of the breakage is to be paid to the appropriate state greyhound breeding registry. Of that portion of the breakage 25 percent of that breakage is to be used in stakes races and 25 percent of that total breakage is to be used from a live pari-mutuel pool or a simulcast pari-mutuel pool is to be paid to the commission for the use by the state greyhound breed registry, subject to rules

promulgated by the commission used for administration and accredited Texas bred races.

BROOKS
LEEDOM
HARRIS OF DALLAS

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

Senator Sims offered the following amendment to the bill:

Floor Amendment No. 17

Amend H.B. 2263 as follows:

On page 13, line 45, substitute the word "may" for the word "shall".

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

Question—Shall the bill be finally passed?

PERMISSION TO MEET GRANTED

On motion of Senator Brooks and by unanimous consent, the Committee on Health and Human Services was granted permission to meet while the Senate was in session.

AT EASE

The President Pro Tempore at 5:28 p.m. announced the Senate would stand At Ease subject to the call of the Chair.

IN LEGISLATIVE SESSION

The President Pro Tempore at 5:39 p.m. called the Senate to order as In Legislative Session.

HOUSE BILL 2263 ON THIRD READING

The Senate resumed consideration of H.B. 2263.

Question—Shall the bill be finally passed?

Senator Montford offered the following amendment to the bill:

Floor Amendment No. 18

Amend H.B. 2263 as follows:

Add the following as SECTION 69 of the bill:

SECTION 69, Section 6.08, Texas Racing Act, as amended by this Act applies to Class 1 tracks beginning September 1, 1993, and does not apply to those tracks before that date.

And re-number accordingly.

By unanimous consent, the amendment was read and was adopted by a viva voce vote.

On motion of Senator Harris of Dallas and by unanimous consent, the caption was again amended to conform to the body of the bill as amended.

The bill as amended was finally passed by the following vote: Yeas 25, Nays 6.

Yeas: Armbrister, Barrientos, Bivins, Brooks, Brown, Carriker, Dickson, Ellis, Glasgow, Harris of Tarrant, Harris of Dallas, Henderson, Johnson, Krier, Lucio, Lyon, Moncrief, Montford, Rosson, Sims, Tejeda, Truan, Turner, Whitmire, Zaffirini.

Nays: Green, Haley, Leedom, Parker, Ratliff, Sibley.

PERMISSION TO INTRODUCE BILL

Senator Parker moved to suspend Article III, Section 5 of the Texas Constitution and Senate Rule 7.07(b) to permit the introduction of the following bill:

S.B. 1612

The motion prevailed by the following vote: Yeas 31, Nays 0.

MESSAGE FROM THE HOUSE

House Chamber

May 18, 1991

HONORABLE BOB BULLOCK
PRESIDENT OF THE SENATE

SIR: I am directed by the House to inform the Senate that the House has passed the following:

H.B. 271, Relating to anatomical gifts.

H.B. 738, Relating to the forfeiture of an owner's or interest holder's interest in property in a proceeding related to a criminal case.

H.B. 862, Relating to the disposition of abandoned or unclaimed property, gambling paraphernalia, prohibited weapon, criminal instrument, and other contraband.

H.B. 1057, Relating to the approval of spending by certain county commissioners.

H.B. 1233, Relating to release of claims by a judgment creditor after satisfaction of judgment; providing for a civil penalty.

H.B. 1280, Relating to the duties of the commissioner of education regarding environmental education in the State.

H.B. 1289, Relating to the personnel records of the employees of certain sheriff's departments.

H.B. 1328, Relating to the authority of a county with a fiscal year beginning October 1 to borrow money against anticipated revenue.

H.B. 1496, Relating to the criminal penalties provided for illegal dumping from a motor vehicle in violation of a law or ordinance.

H.B. 1563, Relating to protective orders against family violence.

H.B. 1598, Relating to the identification of safety deposit box keys.

H.B. 1655, Relating to overtime pay for certain employees of a fire department.

H.B. 1800, Relating to the requirements for and certification of the chief school business administrator of a school district.

H.B. 1829, Relating to a report submitted to the legislature by the Central Education Agency about the statewide dropout rate.

H.B. 2009, Relating to strategic planning for agencies of state government.

H.B. 2115, Relating to requirements that certain actions involving an insurance corporation and a resident of this state be brought in the courts of this state.

H.B. 2224, Relating to procedures for the enforcement of the Texas Renderers' Licensing Act; providing for administrative penalties; amending Chapter 144, Health and Safety Code; and declaring an emergency.

H.B. 2283, Relating to county approval of annexations by certain municipalities.

H.B. 2421, Relating to exempting certain persons from the requirements of the Commission on Law Enforcement Officer Standards and Education.

H.B. 2430, Relating to the regulation of brake fluids, transferring the program from the Department of Public Safety to Texas Department of Agriculture, and permitting the assessment of a fee.

H.B. 2478, Relating to the certification of certain health care organizations not duly licensed to practice medicine; and providing penalties.

H.B. 2518, Relating to exemptions provided by Section 158.038, Title 5, Local Government Code, for county officers and employees.

H.B. 2593, Relating to the assignment of benefit payments by an insured to the provider of health care services.

H.B. 2691, Relating to the compensation for travel expenses of a county commissioner of Harrison County.

H.B. 2820, Relating to the creation of recreation and tourism districts with authority to issue revenue bonds and impose an ad valorem tax.

H.B. 2879, Relating to an alternative insurance system to protect certain employees who incur injuries in the course and scope of their employment.

Respectfully submitted,

BETTY MURRAY, Chief Clerk
House of Representatives

MEMORIAL RESOLUTIONS

S.R. 787 - By Brooks: In memory of renowned Master of Chinese Medicine and Acupuncture, Dr. Panda Lee of Galveston.

S.R. 788 - By Brooks: In memory of Captain Julius W. Jockusch of Galveston.

CONGRATULATORY RESOLUTIONS

H.C.R. 31 - (Turner): Honoring Colonel E. L. R. Wheelock and granting permission for the erection of a monument.

H.C.R. 224 - (Ratliff): Honoring the City of Daingerfield on its 150th anniversary on October 19, 1991.

S.R. 789 - By Brooks: Recognizing the 3rd Group 304th MP BN of the Texas State Guard for helping victims during the recent flood disaster in San Benito.

ADJOURNMENT

On motion of Senator Brooks, the Senate at 5:48 p.m. adjourned until 4:00 p.m. tomorrow.